

**Non-DPS Contractual Agreement  
Cover Sheet**

**From:** Brandie V. Knazze  
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Deputy Commissioner  
Family and Support Services

**To:** Tom Dziedzic  
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Department of Finance

**Date:** March 11, 2016

**Please create a Blanket Purchase Order in FMPS for the attached Non-DPS Agreement. The following summary values must be identified to create a Blanket Purchase Order.**

**PO Number (if request is a Modification):** TBD

**Department Number:** 050

**Supplier Name:** University of Chicago

**Supplier Number:** 55306038

**Supplier Site:** A

**Ship-To:** 050 – 2005 Family and Support Services

**Bill-To:** 050 – 2005 Family and Support Services

**Agreed Amount:** \$273,306.00

**Target Market:** N/A

**Goods or Services:** Services

**Description of Agreement:** Innovation and Evaluation of Civic Leadership – Based Programs

**Agreement Start Date:** May 1, 2015

**Agreement End Date:** March 31, 2016

**Please submit one fully executed and redacted copy of the Signature Ordinance, Contract/Agreement, and the Economic Disclosure Summary (EDS). Please submit only single-sided hard copies. In addition, please check the link to ensure that the supplier is not on the debarred vendor list.**

**[http://www.cityofchicago.org/city/en/depts/dps/provdrs/comp/svcs/debarred\\_firms\\_list.html](http://www.cityofchicago.org/city/en/depts/dps/provdrs/comp/svcs/debarred_firms_list.html)**

present to the City Council monthly reports on all City employees hired during the preceding quarter.

The Budget Director shall prepare and present to the City Council on the twentieth day of each month, or post online on a monthly basis, a report of the overtime compensation paid to employees during the preceding month, on a form to be prepared by the Committee on the Budget and Government Operations.

**SECTION 8.** Grant applications, expenditures of grant funds, and all other aspects of the grant process described in this section shall be carried out in adherence to City-wide policies and procedures established and administered by the Office of Budget and Management in consultation with the Department of Finance, pursuant to the Mayor's direction, and shall further be subject to the limitations of this section. These mandatory policies and procedures shall govern all city grants, including those authorized under any municipal code provision or uncodified ordinance.

Subject to such policies and procedures, the Mayor and the heads of the various departments and agencies of the City Government are authorized to apply for grants from governmental and private grantors. With respect to such grants, and also with respect to city funds appropriated for grants to third parties, the Mayor and the heads of the various departments and agencies are authorized to execute grant and subgrant agreements and amendments thereto to effectuate the purposes of such grants and appropriations; to indemnify the grantor with respect to the performance of the grant, subject to the approval of the Corporation Counsel; and to execute such documents, and provide such additional information, assurances and certifications as are necessary, in connection with any of the foregoing, all subject to the foregoing mandatory Office of Budget and Management policies and procedures.

## **RESEARCH SERVICES AGREEMENT**

This Agreement is entered into as of the 1<sup>st</sup> day of May, 2015 ("**Effective Date**") by and between University of Chicago, an Illinois not-for-profit corporation ("**Contractor**" or "University"), and the City of Chicago, a municipal corporation and home rule unit of local government existing under the Constitution of the State of Illinois, acting through its Department of Family and Support Services ("**City**"), at Chicago, Illinois. The City and Contractor agree as follows:

### **BACKGROUND INFORMATION**

The City received a grant from the Bloomberg Family Foundation Inc. ("Grantor"), to increase the City's investment in data-driven predicative analyses to help leaders make smarter, faster decisions in real-time to help address and prevent governmental problems before they develop. The City wishes to engage the University to assist in the development of strategies, based on such data analyses, and program evaluations relating to the reduction of youth involvement in crime.

The University agrees that it is ready, willing and able to perform as of the effective date of this Agreement.

NOW, THEREFORE, the City and the University agree as follows:

### **ARTICLE 1. DEFINITIONS**

#### **1.1 Definitions**

The following words and phrases have the following meanings for purposes of this Agreement:

**"Agreement"** means this Services Agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications or revisions made in accordance with its terms.

**"Chief Procurement Officer"** means the Chief Procurement Officer of the City and any representative duly authorized in writing to act on his behalf.

**"Commissioner"** means the Commissioner of the Department of Family and Support Services, and any representative authorized in writing to act on the Commissioner's behalf.

**"Department"** means the City Department of Family and Support Services.

**"Grantor"** means The Bloomberg Family Foundation, Inc.

**"Intellectual Property"** means any and all art, method, process, procedure, invention, idea, design, concept, technique, discovery, improvement or moral right, regardless of patentability, as well as any patents, patent applications, copyrights, trademarks, service marks, trade names, trade secrets, know-how or other intellectual property rights recognized in any country or jurisdiction in the world.

**"Services"** means, collectively, the services, duties and responsibilities described in Article 2 and Exhibit 1 of this Agreement and any and all work necessary to complete them or carry them out fully and to the standard of performance required in this Agreement.

**"Subcontractor"** means any person or entity with whom Contractor engages to provide any part of the Services, including researchers, research partners, subcontractors and subconsultants of any tier, suppliers and materials providers, whether or not in privity with Contractor.

## **1.2 Interpretation**

(a) The term **"include"** (in all its forms) means "include, without limitation" unless the context clearly states otherwise.

(b) All references in this Agreement to Articles, Sections or Exhibits, unless otherwise expressed or indicated are to the Articles, Sections or Exhibits of this Agreement.

(c) Words importing persons include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(d) Any headings preceding the text of the Articles and Sections of this Agreement, and any table of contents or marginal notes appended to it, are solely for convenience or reference and do not constitute a part of this Agreement, nor do they affect the meaning, construction or effect of this Agreement.

(e) Words importing the singular include the plural and vice versa. Words of the masculine gender include the correlative words of the feminine and neuter genders.

(f) All references to a number of days mean calendar days, unless indicated otherwise.

## **1.3 Incorporation of Exhibits**

The following attached Exhibits are made a part of this Agreement:

Exhibit 1	Scope of Services and Time Limits for Performance
Exhibit 2	Schedule of Compensation
Exhibit 3	Grant Agreement
Exhibit 4	Economic Disclosure Statement and Affidavit
Exhibit 5	Insurance Requirements and Evidence of Insurance
Exhibit 6	Health Insurance Portability and Accountability Act

## **ARTICLE 2. DUTIES AND RESPONSIBILITIES OF CONTRACTOR**

### **2.1 Scope of Services**

The Services that Contractor must provide are described in Exhibit 1, Scope of Services and Time Limits for Performance. This description of Services is intended to be general in nature and is neither a complete description of Contractor's Services nor a limitation on the Services that Contractor is to provide under this Agreement. Contractor must provide the Services with that degree of skill, care and diligence normally shown by a contractor performing services of a scope and purpose and magnitude comparable with the nature of the Services. Contractor must perform the Services with an adequate staff of competent personnel, qualified to perform the Services. Contractor must perform the Services consistent with, and such that Contractor does not cause City to be in violation of, that agreement between the City and Grantor, dated November 1, 2011, as amended ("Grant Agreement"), attached as Exhibit 3 to this Agreement.

### **2.2 Deliverables**

In carrying out its Services, Contractor must prepare or provide to the City various Deliverables, as described in Exhibit 1. "Deliverables" include work product, such as written reviews, recommendations, reports and analyses, produced by Contractor for the City.

### **2.3 Insurance**

Contractor must provide and maintain at Contractor's own expense, during the term of this Agreement and any time period following expiration if Contractor is required to return and perform any of the Services or Additional Services under this Agreement, the insurance coverages and requirements specified in Exhibit 5 of this Agreement, insuring all operations related to this Agreement.

## **ARTICLE 3. RIGHTS AND OBLIGATIONS REGARDING DELIVERABLES, DATA AND DOCUMENTS**

### **3.1 Ownership of Documents**

(a) All Deliverables, data, findings or information in any form prepared, assembled or encountered by or provided to Contractor under this Agreement are property of the City ("City Intellectual Property"), including, as further described below, all copyrights inherent in them or their preparation.

(b) Prior/Outside Intellectual Property. Notwithstanding provision to the contrary in this Agreement, each party will retain its rights in any work product or Intellectual Property developed prior to or outside the scope of this Agreement.

### **3.2 Copyright Ownership**

Contractor and the City intend that the City will be the sole copyright owner of the Deliverables and of all aspects, elements and components of them in which copyright can subsist, and of all rights to apply for copyright registration or prosecute any claim of infringement.

Contractor hereby irrevocably grants, conveys, bargains, sells, assigns, transfers and delivers to the City, its successors and assigns, all right, title and interest in and to the copyrights and all U.S. and foreign copyright registrations, copyright applications and copyright renewals for them, and other intangible, intellectual property embodied in or pertaining to the Deliverables prepared for the City under this Agreement, and all goodwill relating to them, free and clear of any liens, claims or other encumbrances, to the fullest extent permitted by law. Contractor will, and will cause all of its Subcontractors, employees, agents and other persons within its control to, execute all documents and perform all acts that the City may reasonably request in order to assist the City in perfecting its rights in and to the copyrights relating to the Deliverables, at the sole expense of the City. Contractor warrants certifies to the City, its successors and assigns, that on the date of transfer Contractor is the lawful owner of good and marketable title in and to the copyrights for the Deliverables and has the legal rights to fully assign them. Contractor further warrants certifies that it has not assigned and will not assign any copyrights and that it has not granted and will not grant any licenses, exclusive or nonexclusive, to any other party, and that it is not a party to any other agreements or subject to any other restrictions with respect to the Deliverables. Contractor warrants certifies that the Deliverables are complete, entire and comprehensive, and that the Deliverables constitute a work of original authorship. Contractor does retain an internal, non-commercial license to the Deliverables for its internal research and education purposes.

### **3.3 Publications**

(a) Right to Publish. Subject to any applicable confidentiality obligations pertaining to City Intellectual Property, whether as set forth in this Agreement or as required by law, City grants Contractor the right to publish the results of its Services in accordance with academic

standards. Contractor may not include any City confidential information other than results of the Services in any such publications. Contractor agrees that any publication shall acknowledge the Grantor in accordance with the Grant Agreement.

(b) **Review and Comment.** Contractor agrees to provide City with a copy of any such proposed research for review and comment at least thirty (30) days prior to submission for publication. City will provide its comments on the work, at which point Contractor will be obligated to remove any information that the City identifies as confidential or sensitive. Contractor agrees to reasonably cooperate with the City on any remedial action taken to address any of the City's other comments.

### **3.4 Confidentiality and Protection of Data**

(a) Subject to Section 3.3 Publications, all Deliverables and reports, documents, data, findings or information in any form prepared, assembled or encountered by or provided to Contractor under this Agreement are property of the City and are confidential, except as specifically authorized in this Agreement or as may be required by law, and must not be made available by Contractor to any other individual or organization without the prior written consent of the City. Contractor must implement such measures as may be necessary to ensure that its staff and its Subcontractors are bound by the confidentiality provisions in this Agreement.

(b) Contractor must not issue any publicity news releases or grant press interviews, and except as may be required by law during or after the performance of this Agreement, disseminate any information regarding its Services or the project to which the Services pertain without the prior written consent of the Commissioner.

(c) If Contractor is presented with a request for documents by any administrative agency or with a subpoena duces tecum regarding any records, data or documents which may be in Contractor's possession by reason of this Agreement, Contractor must immediately give notice to the Commissioner and the Corporation Counsel for the City with the understanding that the City will have the opportunity to contest such process by any means available to it before the records, data or documents are submitted to a court or other third party. Contractor, however, is not obligated to withhold the delivery beyond the time ordered by a court or administrative agency, unless the subpoena or request is quashed or the time to produce is otherwise extended.

(d) HIPAA, HITECH, and AIDS Confidentiality Act. To the extent not defined herein the capitalized terms below and in Exhibit 6 will have the same meaning as set forth in the Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health Act, and their implementing regulations (collectively "HIPAA"). Sec 45 CFR parts 160, 162 and 164. Contractor and all its Subcontractors must comply with HIPAA and all rules and regulations applicable to it or them. Contractor must also comply with the Illinois AIDS Confidentiality Act (410 ILCS 305/1 through 16) and the rules and regulations of the Illinois Department of Public Health promulgated under it. If Contractor fails to comply

with the applicable provisions under HIPAA or the Illinois AIDS Confidentiality Act, such failure will constitute an event of default under this Agreement for which no opportunity for cure will be provided.

Additionally, if Contractor is a Business Associate it must comply with all requirements of the HIPAA applicable to Business Associates including the provisions contained in Exhibit 6.

(c) With regard to the various categories of data provided or made available to Contractor by City, or City Sister Agencies, in connection with the Services, Contractor shall:

- (i) use such data exclusively in connection with the Services.
- (ii) store the data in a secure, password protected location and limit distribution of the data to employees designated by the Contractor to perform the Services.
- (iii) not disclose to any party the data except as expressly set forth in this Agreement or as required by law.
- (iv) keep all Data strictly confidential pursuant to all applicable state, federal, and local laws; Contractor is and shall remain in compliance with all applicable federal and state laws (including but not limited to the Illinois Identity Protection Act (5 ILCS 179/1 et seq.) and county, municipal, statutes, laws, ordinances, and regulations relating to this Agreement, as amended from time to time.
- (v) not copy or reproduce in any manner whatsoever the Data without the prior consent of DFSS, except as required to perform the Services.

### **3.5 Records and Audits**

(a) University shall make its books and records related to the Services available for inspection at mutually agreeable times during normal business hours by City or Grantor or its assignee. Subject to paragraph (b) below, University shall maintain records of expenditures for at least five years after the end of the Period of Performance. Grantor may monitor and conduct evaluations of University's operations under the Grant. Such monitoring may include Grantor's personnel or assignees: (i) visiting the University to observe the Services, (ii) speaking with University staff members regarding the Services and (iii) conducting a review of financial and other records related to the Services.

(b) University must deliver or cause to be delivered to the City all Deliverables prepared for the City under the terms of this Agreement, promptly in accordance with the time limits prescribed in this Agreement, and if no time limit is specified, then upon reasonable demand for them or upon termination or completion of the Services under this Agreement. University must maintain any such records relating to this Agreement not delivered to the City or demanded by the City for a period that is the longer of (A) 5 years after the final payment made in connection with this Agreement (or, 6 years after the final payment made in connection with this Agreement, with respect to any records that are



required to be maintained pursuant to the Contractor's obligations under Exhibit 6 and the regulations implementing the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the Health Information Technology for Economic and Clinical Health Act (HITECH), which was part of the American Recovery and Reinvestment Act of 2009, specifically 45 C.F.R. § 164.530(j)), or (B) as directed by the Local Records Act (50 ILCS 205) and relevant records retention schedule. University must not dispose of such records following the expiration of the relevant period without notification of and written approval from the City.

(c) All records that are possessed by University in its service to the City to perform a governmental function are public records of the City pursuant to the Illinois Freedom of Information Act ("FOIA"), unless the records are exempt under the Act. FOIA requires that the City produce records in a very short period of time. If the University receives a request from the City to produce records that City reasonably believes are subject to FOIA, the University shall do so within 72 hours of the notice.

#### **ARTICLE 4. DURATION OF AGREEMENT**

##### **4.1 Term of Performance**

This Agreement takes effect as of the Effective Date and continues, except as terminated early, as provided in the Agreement, until completion of the performance of the Services in accordance with the Schedule of Performance set forth in Exhibit 1, as that time may be extended by an amendment to the Agreement.

##### **4.2 Timeliness of Performance**

(a) Contractor must provide the Services and Deliverables within the time limits set forth in Exhibit 1.

(h) Neither Contractor nor Contractor's agents, employees or Subcontractors are entitled to any damages from the City, nor is any party entitled to be reimbursed by the City, for damages, charges or other losses or expenses incurred by Contractor by reason of delays or hindrances in the performance of the Services, whether or not caused by the City.

#### **ARTICLE 5. COMPENSATION**

##### **5.1 Basis of Payment**

The City will pay Contractor according to the Schedule of Compensation in the attached Exhibit 2 for the completion of the Services in accordance with this Agreement.

## **5.2 Method of Payment**

Contractor must submit monthly invoices to the City for costs as billed, as outlined in the Schedule of Compensation in Exhibit 2. The invoices must be in such detail as the City reasonably requests. The City will process payment within 60 days after receipt of invoices and all supporting documentation necessary for the City to verify the Services provided under this Agreement.

## **5.3 Funding**

The source of funds for payments under this Agreement is Fund number 0111-0P71-001-2005-0140-220140-11JP80 P00120100986. Payments under this Agreement must not exceed \$ 273,306.00 without a written amendment in accordance with Section 9.3. Funding for this Agreement is subject to the availability of funds and their appropriation by the City Council of the City.

## **5.4 Non-Appropriation**

If no funds or insufficient funds are appropriated and budgeted in any fiscal period of the City for payments to be made under this Agreement, then the City will notify Contractor in writing of that occurrence, and this Agreement will terminate on the earlier of the last day of the fiscal period for which sufficient appropriation was made or whenever the funds appropriated for payment under this Agreement are exhausted. Payments for Services completed to the date of notification will be made to Contractor except that no payments will be made or due to Contractor under this Agreement beyond those amounts appropriated and budgeted by the City to fund payments under this Agreement.

# **ARTICLE 6. COMPLIANCE WITH ALL LAWS**

## **6.1 Compliance with All Laws Generally**

(a) Contractor must observe and comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later and whether or not they appear in this Agreement, including those set forth in this Article 6, and Contractor must pay all taxes and obtain all licenses, certificates and other authorizations required by them. Contractor must require all Subcontractors to do so, also. Further, Contractor must execute an Economic Disclosure Statement and Affidavit ("EDS") in the form attached to this Agreement as Exhibit 4. Notwithstanding acceptance by the City of the EDS, Contractor's failure in the EDS to include all information required under the Municipal Code renders this Agreement voidable at the option of the City. Contractor must promptly update its EDS(s) on file with the City whenever any information or

response provided in the EDS(s) is no longer complete and accurate. Contractor agrees that Contractor's failure to maintain current throughout the term and any extensions of the term, the disclosures and information pertaining to ineligibility to do business with the City under Chapter 1-23 of the Municipal Code, as such is required under Sec. 2-154-020, shall constitute an event of default.

(b) Notwithstanding anything in this Agreement to the contrary, references to a statute or law are considered to be a reference to (i) the statute or law as it may be amended from time to time; (ii) all regulations and rules pertaining to or promulgated pursuant to the statute or law; and (iii) all future statutes, laws, regulations, rules and executive orders pertaining to the same or similar subject matter.

## **6.2 Nondiscrimination**

### **(a) Contractor**

Contractor must comply with applicable federal, state, and local laws and related regulations prohibiting discrimination against individuals and groups. If this Agreement is federally funded in whole or in part, additional provisions related to nondiscrimination may be added pursuant to an amendment to the Agreement.

#### **(i) Federal Requirements**

Contractor must not engage in unlawful employment practices, such as (1) failing or refusing to hire or discharging any individual, or otherwise discriminating against any individual with respect to compensation or the terms, conditions, or privileges of the individual's employment, because of the individual's race, color, religion, sex, age, handicap/disability or national origin; or (2) limiting, segregating or classifying Contractor's employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect the individual's status as an employee, because of the individual's race, color, religion, sex, age, handicap/disability or national origin.

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Civil Rights Act of 1964, 42 U.S.C. sec. 2000e *et seq.* (1981), as amended and the Civil Rights Act of 1991, P.L. 102-166. Attention is called to: Exec. Order No. 11246, 30 Fed. Reg. 12,319 (1965), reprinted in 42 U.S.C. 2000e note, as amended by Exec. Order No. 11375, 32 Fed. Reg. 14,303 (1967) and by Exec. Order No. 12086, 43 Fed. Reg. 46,501 (1978); Age Discrimination Act, 42 U.S.C. §6101-6106 (1981); Age Discrimination in Employment Act, 29 U.S.C. §621-34; Rehabilitation Act of 1973, 29 U.S.C. §793-794 (1981); Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*; 41 C.F.R. Part 60 *et seq.* (1990); and all other applicable federal statutes, regulations and other laws.

**(ii) State Requirements**

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.* (1990), as amended and any rules and regulations promulgated in accordance with it, including the Equal Employment Opportunity Clause, 44 Ill. Admin. Code §750 Appendix A. Furthermore, Contractor must comply with the Public Works Employment Discrimination Act, 775 ILCS 10/0.01 *et seq.* (1990), as amended, and all other applicable state statutes, regulations and other laws.

**(iii) City Requirements**

Contractor must comply with, and the procedures Contractor utilizes and the Services Contractor provides under this Agreement must comply with, the Chicago Human Rights Ordinance, ch. 2-160, Section 2-160-010 *et seq.* of the Municipal Code of Chicago (1990), as amended, and all other applicable City ordinances and rules.

**(b) Subcontractors**

Contractor must incorporate all of this Section 6.2 by reference in all agreements entered into with any suppliers of materials, furnisher of services, Subcontractors of any tier, and labor organizations that furnish skilled, unskilled and craft union skilled labor, or that may provide any such materials, labor or services in connection with this Agreement. Further, Contractor must furnish and must cause each of its Subcontractor(s) to furnish such reports and information as requested by the federal, state, and local agencies charged with enforcing such laws and regulations, including the Chicago Commission on Human Relations.

**6.3 Inspector General**

It is the duty of any bidder, proposer or Contractor, all Subcontractors, every applicant for certification of eligibility for a City contract or program, and all officers, directors, agents, partners and employees of any bidder, proposer, Contractor, Subcontractor or such applicant to cooperate with the Legislative Inspector General or the Inspector General in any investigation or hearing, if applicable, undertaken pursuant to Chapters 2-55 or 2-56, respectively, of the Municipal Code. Contractor understands and will abide by all provisions of Chapters 2-55 and 2-56 of the Municipal Code. All subcontracts must inform Subcontractors of the provision and require understanding and compliance with it.

**6.4 Business Relationships with Elected Officials**

Pursuant to MCC Sect. 2-156-030(b), it is illegal for any elected official, or any person acting

at the direction of such official, to contact either orally or in writing any other City official or employee with respect to any matter involving any person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months. In addition, no elected official may participate in any discussion in any City Council committee hearing or in any City Council meeting or vote on any matter involving the person with whom the elected official has any business relationship that creates a financial interest on the part of the official, or the domestic partner or spouse of the official, or from whom or which he has derived any income or compensation during the preceding twelve months or from whom or which he reasonably expects to derive any income or compensation in the following twelve months.

Violation of MCC § 2-156-030 by any elected official with respect to this contract will be grounds for termination of this contract. The term financial interest is defined as set forth in MCC Chapter 2-156.

#### **6.5 Chicago "Living Wage" Ordinance**

(i) Section 2-92-610 of the Municipal Code provides for a living wage for certain categories of workers employed in the performance of City contracts, specifically non-City employed security guards, parking attendants, day laborers, home and health care workers, cashiers, elevator operators, custodial workers and clerical workers ("Covered Employees"). Accordingly, pursuant to Section 2-92-610 and regulations promulgated under it:

(A) If Contractor has 25 or more full-time employees, and

(B) If at any time during the performance of this Agreement, Contractor and/or any Subcontractor or any other entity that provides any portion of the Services (collectively "Performing Parties") uses 25 or more full-time security guards, or any number of other full-time Covered Employees, then

(C) Contractor must pay its Covered Employees, and must ensure that all other Performing Parties pay their Covered Employees, not less than the minimum hourly rate as determined in accordance with this provision (the "Base Wage") for all Services performed under this Agreement.

(ii) Contractor's obligation to pay, and to ensure payment of, the Base Wage will begin at any time during the term of this Agreement when the conditions set forth in (a)(i) and (a)(ii) above are met, and will continue until the end of the term of this Agreement.

(iii) As of July 1, 2015, the Base Wage is \$12.13 per hour, and each July 1 thereafter, the Base Wage will be adjusted using the most recent federal poverty guidelines for a family of four as

published annually by the U.S. Department of Health and Human Services, to constitute the following: the poverty guidelines for a family of four divided by 2000 hours or the current base wage, whichever is higher. The currently applicable Base Wage is available from the Department of Procurement Services. At all times during the term of this Agreement, Contractor and all other Performing Parties must pay the Base Wage (as adjusted in accordance with the above). If the payment of prevailing wages is required for Services done under this Agreement, and the prevailing wages for Covered Employees are higher than the Base Wage, then Contractor and all other Performing Parties must pay the prevailing wage rates.

(iv) Contractor must include provisions in all subcontracts requiring its Subcontractors to pay the Base Wage to Covered Employees. Contractor agrees to provide the City with documentation acceptable to the City demonstrating that all Covered Employees, whether employed by Contractor or by a Subcontractor, have been paid the Base Wage, upon the City's request for such documentation. The City may independently audit Contractor and/or Subcontractors to verify compliance with this section. Failure to comply with the requirements of this section will be an event of default under this Agreement, and further, failure to comply may result in ineligibility for any award of a City contract or subcontract for up to 3 years.

(v) Not-for-Profit Corporations: If Contractor is a corporation having federal tax-exempt status under Section 501(c)(3) of the Internal Revenue Code and is recognized under Illinois not-for-profit law, then the provisions of subsections (a) through (d) above do not apply.

#### **6.6 Environmental Warranties and Representations**

In accordance with Section 11-4-1600(c) of the Municipal Code of Chicago, Contractor warrants and represents that it, and to the best of its knowledge, its subcontractors have not violated and are not in violation of the following sections of the Code (collectively, the Waste Sections):

- 7-28-390 Dumping on public way;
- 7-28-440 Dumping on real estate without permit;
- 11-4-1410 Disposal in waters prohibited;
- 11-4-1420 Ballast tank, bilge tank or other discharge;
- 11-4-1450 Gas manufacturing residue;
- 11-4-1500 Treatment and disposal of solid or liquid waste;
- 11-4-1530 Compliance with rules and regulations required;
- 11-4-1550 Operational requirements; and
- 11-4-1560 Screening requirements.

During the period while this Agreement is executory, Contractor's or any subcontractor's violation of the Waste Sections, whether or not relating to the performance of this Agreement, constitutes a breach of and an event of default under this Agreement, for which the opportunity to cure, if curable, will be granted only at the sole discretion of the City. Such breach and default entitles the City to all remedies under the Agreement, at law or in equity.

This section does not limit Contractor's and its subcontractors' duty to comply with all applicable federal, state, county and municipal laws, statutes, ordinances and executive orders, in effect now or later, and whether or not they appear in this Agreement.

Non-compliance with these terms and conditions may be used by the City as grounds for the termination of this Agreement, and may further affect Contractor's eligibility for future contract awards.

#### **6.7 Prohibition on Certain Contributions**

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any Other Contract between City and Contractor, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Contractor represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Contractor or the date the Contractor approached the City, as applicable, regarding the formulation of this Contract, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Contractor shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to

cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Contractor violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Contractor's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Contractor and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

#### **6.8 Firms Owned or Operated by Individuals with Disabilities**

The City encourages consultants to use Subcontractors that are firms owned or operated by individuals with disabilities, as defined by Section 2-92-586 of the Municipal Code of the City of Chicago, where not otherwise prohibited by federal or state law.

#### **6.9 Ineligibility to do Business with City.**

Failure by the Contractor or any Controlling Person (defined in Section 1-23-010 of the Municipal Code) thereof to maintain eligibility to do business with the City in violation of Section 1-23-030 of the Municipal Code shall render this Contract voidable or subject to termination, at the option of the Chief Procurement Officer. Contractor agrees that Contractor's failure to maintain eligibility (or failure by Controlling Persons to maintain eligibility) to do business with the City in violation of Section 1-23-030 of the Municipal Code shall constitute an event of default.

#### **6.10 Duty to Report Corrupt or Unlawful Activity**

Pursuant to §2-156-018 of the Municipal Code, it is the duty of the Contractor to report to the Inspector General, directly and without undue delay, any and all information concerning conduct which it knows to involve corrupt activity. "Corrupt Activity" means any conduct set forth in Subparagraph (a)(1), (2) or (3) of §1-23-020 of the Municipal Code. Knowing failure to



make such a report will be an event of default under this Agreement. Reports may be made to the Inspector General's toll free hotline, 866-IG-TIPLINE (866-448-4754).

#### **6.11 Deemed Inclusion**

Provisions required by law, ordinances, rules, regulations, or executive orders to be inserted in this Agreement are deemed inserted in this Agreement whether or not they appear in this Agreement or, upon application by either party, this Agreement will be amended to make the insertion; however, in no event will the failure to insert the provisions before or after this Agreement is signed prevent its enforcement.

### **ARTICLE 7. SPECIAL CONDITIONS**

#### **7.1 Warranties and Representations**

In connection with signing and carrying out this Agreement, Contractor:

(a) represents that Contractor and, to the best of its knowledge, its Subcontractors are not in violation of the provisions of §2-92-320 of the Municipal Code, and in connection with it, and additionally in connection with the Illinois Criminal Code, 720 ILCS 5/33E as amended, and the Illinois Municipal Code, 65 ILCS 5/11-42.1-I; and

(b) warrants and represents that neither Contractor nor an Affiliate of Contractor (as defined below) appears on the Specially Designated Nationals List, the Denied Persons List, the unverified List, the Entity List, or the Debarred List as maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury or by the Bureau of Industry and Security of the U.S. Department of Commerce (or their successors), or on any other list of persons or entities with which the City may not do business under any applicable law, rule, regulation, order or judgment. "Affiliate of Contractor" means a person or entity that directly (or indirectly through one or more intermediaries) controls, is controlled by or is under common control with Contractor. A person or entity will be deemed to be controlled by another person or entity if it is controlled in any manner whatsoever that results in control in fact by that other person or entity (either acting individually or acting jointly or in concert with others) whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

#### **7.2 Ethics**

(a) In addition to the foregoing warranties and representations, Contractor warrants:

(i) no officer, agent or employee of the City is employed by Contractor or has a financial interest directly or indirectly in this Agreement or the compensation to be paid under this Agreement except as may be permitted in writing by the Board of Ethics established under Chapter 2-156 of the Municipal Code .

(ii) no payment, gratuity or offer of employment will be made in connection with this Agreement by or on behalf of any Subcontractors to Contractor or higher tier Subcontractors or anyone associated with them, as an inducement for the award of a subcontract or order.

(b) Contractor must comply with Chapter 2-156 of the Municipal Code. Contractor acknowledges that any Agreement entered into, negotiated or performed in violation of any of the provisions of Chapter 2-156, including any contract entered into with any person who has retained or employed a non-registered lobbyist in violation of Section 2-156-305 of the Municipal Code is voidable as to the City.

### **7.3 Joint and Several Liability**

If Contractor, or its successors or assigns, if any, is comprised of more than one individual or other legal entity (or a combination of them), then under this Agreement, each and without limitation every obligation or undertaking in this Agreement to be fulfilled or performed by Contractor is the joint and several obligation or undertaking of each such individual or other legal entity.

### **7.4 Business Documents**

At the request of the City, Contractor must provide copies of its latest articles of incorporation, by-laws and resolutions, or partnership or joint venture agreement, as applicable.

### **7.5 Conflicts of Interest**

No member of the governing body of the City or other unit of government and no other officer, employee or agent of the City or other unit of government who exercises any functions or responsibilities in connection with the Services to which this Agreement pertains is permitted to have any personal interest, direct or indirect, in this Agreement. No member of or delegate to the Congress of the United States or the Illinois General Assembly and no alderman of the City or City employee is allowed to be admitted to any share or part of this Agreement or to any financial benefit to arise from it.

(d) Without limiting the foregoing, if the Consulting Parties assist the City in

determining the advisability or feasibility of a project or in recommending, researching, preparing, drafting or issuing a request for proposals or bid specifications for a project, the Consulting Parties must not participate, directly or indirectly, as a prime, subcontractor or joint venturer in that project or in the preparation of a proposal or bid for that project during the term of this Agreement or afterwards. The Consulting Parties may, however, assist the City in reviewing the proposals or bids for the project if none of the Consulting Parties have a relationship with the persons or entities that submitted the proposals or bids for that project.

(b) Furthermore, if any federal funds are to be used to compensate or reimburse Contractor under this Agreement, Contractor represents that it is and will remain in compliance with federal restrictions on lobbying set forth in Section 319 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1990, 31 U.S.C. §1352, and related rules and regulations set forth at 54 Fed. Reg. 52,309 ff. (1989), as amended. If federal funds are to be used, Contractor must execute a Certification Regarding Lobbying, which is part of the EDS and incorporated by reference as if fully set forth here.

#### **7.6 EDS / Certification Regarding Suspension and Debarment**

Contractor certifies, as further evidenced in the EDS attached as Exhibit 4, by its acceptance of this Agreement that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any federal department or agency. Contractor further agrees by executing this Agreement that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts and subcontracts. If Contractor or any lower tier participant is unable to certify to this statement, it must attach an explanation to the Agreement.

### **ARTICLE 8. EVENTS OF DEFAULT, REMEDIES, TERMINATION, SUSPENSION AND RIGHT TO OFFSET**

#### **8.1 Events of Default Defined**

The following constitute events of default:

(a) Any material misrepresentation, whether negligent or willful and whether in the inducement or in the performance, made by Contractor to the City.

(b) Contractor's material failure to perform any of its obligations under this Agreement including failure to comply with applicable laws.

## 8.2 Remedies

(a) Notices. The occurrence of any event of default permits the City, at the City's sole option, to declare Contractor in default. The Commissioner may in his sole discretion give Contractor an opportunity to cure the default within a certain period of time, which period of time must not exceed 30 days unless extended by the Commissioner. Whether to declare Contractor in default is within the sole discretion of the Commissioner and neither that decision nor the factual basis for it is subject to review or challenge under the Disputes provision of this Agreement.

The Commissioner will give Contractor written notice of the default, either in the form of a cure notice ("Cure Notice"), or, if no opportunity to cure will be granted, a default notice ("Default Notice"). If the Commissioner gives a Default Notice, he will also indicate any present intent he may have to terminate this Agreement, and the decision to terminate is final and effective upon giving the notice. If the Commissioner decides not to terminate, this decision will not preclude him from later deciding to terminate the Agreement in a later notice, which will be final and effective upon the giving of the notice or on the date set forth in the notice, whichever is later. The Commissioner may give a Default Notice if Contractor fails to effect a cure within the cure period given in a Cure Notice. When a Default Notice with intent to terminate is given as provided in this Section 8.2 and Article 10, Contractor must discontinue any Services, unless otherwise directed in the notice, and deliver all materials accumulated in the performance of this Agreement, whether completed or in the process, to the City.

(b) Exercise of Remedies. After giving a Default Notice, the City may invoke any remedy at law or in equity, including the following remedies:

(i) The right to terminate this Agreement as to any or all of the Services yet to be performed effective at a time specified by the City;

(ii) The right to seek specific performance, an injunction or any other appropriate equitable remedy;

(iii) The right to seek money damages;

(iv) The right to withhold all or any part of Contractor's compensation under this Agreement;

(c) City's Reservation of Rights. If the Commissioner considers it to be in the City's best interests, he may elect not to declare default or to terminate this Agreement. The parties acknowledge that this provision is solely for the benefit of the City and that if the City permits

Contractor to continue to provide the Services despite one or more events of default, Contractor is in no way relieved of any of its responsibilities, duties or obligations under this Agreement, nor does the City waive or relinquish any of its rights.

(d) **Non-Exclusivity of Remedies.** The remedies under the terms of this Agreement are not intended to be exclusive of any other remedies provided, but each and every such remedy is cumulative and is in addition to any other remedies, existing now or later, at law, in equity or by statute. No delay or omission to exercise any right or power accruing upon any event of default impairs any such right or power, nor is it a waiver of any event of default nor acquiescence in it, and every such right and power may be exercised from time to time and as often as the City considers expedient.

### **8.3 Early Termination**

(a) In addition to termination under Sections 8.1 and 8.2 of this Agreement, the City may terminate this Agreement, or all or any portion of the Services to be performed under it, at any time by a notice in writing from the City to Contractor. The City will give notice to Contractor in accordance with the provisions of Article 10. The effective date of termination will be the date the notice is received by Contractor or the date stated in the notice, whichever is later. If the City elects to terminate this Agreement in full, all Services to be provided under it must cease and all materials that may have been accumulated in performing this Agreement, whether completed or in the process, must be delivered to the City effective 10 days after the date the notice is considered received as provided under Article 10 of this Agreement (if no date is given) or upon the effective date stated in the notice.

(b) After the notice is received, Contractor must restrict its activities, and those of its Subcontractors, to winding down any reports, analyses, or other activities previously begun.

(c) If the City's election to terminate this Agreement for default under Sections 8.1 and 8.2 is determined in a court of competent jurisdiction to have been wrongful, then in that case the termination is to be considered to be an early termination under this Section 8.3.

### **8.4 Right to Offset**

As provided under Section 2-92-380 of the Municipal Code, the City may set off from Contractor's compensation under this Agreement an amount equal to the amount of the fines and penalties for each *outstanding parking violation complaint* and the amount of any *debt* owed by Contractor to the City as those italicized terms are defined in the Municipal Code.

## **ARTICLE 9. GENERAL CONDITIONS**

### **9.1 Counterparts**

This Agreement is comprised of several identical counterparts, each to be fully signed by the parties and each to be considered an original having identical legal effect.

### **9.2 Amendments**

No changes, amendments, modifications or discharge of this Agreement, or any part of it are valid unless in writing and signed by the authorized agent of Contractor and by the City or their respective successors and assigns. The City incurs no liability for Additional Services without a written amendment to this Agreement under this Section 9.2.

### **9.3 Governing Law and Jurisdiction**

This Agreement is governed as to performance and interpretation in accordance with the laws of the State of Illinois.

Contractor irrevocably submits itself to the original jurisdiction of those courts located within the County of Cook, State of Illinois, with regard to any controversy arising out of, relating to, or in any way concerning the execution or performance of this Agreement. Service of process on Contractor may be made, at the option of the City, either by registered or certified mail addressed to the applicable office as provided for in this Agreement, by registered or certified mail addressed to the office actually maintained by Contractor, or by personal delivery on any officer, director, or managing or general agent of Contractor. If any action is brought by Contractor against the City concerning this Agreement, the action must be brought only in those courts located within the County of Cook, State of Illinois.

### **9.4 Severability**

If any provision of this Agreement is held or deemed to be or is in fact invalid, illegal, inoperative or unenforceable as applied in any particular case in any jurisdiction or in all cases because it conflicts with any other provision or provisions of this Agreement or of any constitution, statute, ordinance, rule of law or public policy, or for any other reason, those circumstances do not have the effect of rendering the provision in question invalid, illegal, inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions in this Agreement invalid, illegal, inoperative or unenforceable to any extent whatsoever. The invalidity, illegality, inoperativeness or unenforceability of any one or more phrases, sentences, clauses or sections in this Agreement does not affect the remaining portions of this Agreement or any part of it.

#### **9.5 Assigns**

All of the terms and conditions of this Agreement are binding upon and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

#### **9.6 Waiver**

Nothing in this Agreement authorizes the waiver of a requirement or condition contrary to law or ordinance or that would result in or promote the violation of any federal, state or local law or ordinance.

Whenever under this Agreement the City by a proper authority waives Contractor's performance in any respect or waives a requirement or condition to either the City's or Contractor's performance, the waiver so granted, whether express or implied, only applies to the particular instance and is not a waiver forever or for subsequent instances of the performance, requirement or condition. No such waiver is a modification of this Agreement regardless of the number of times the City may have waived the performance, requirement or condition. Such waivers must be provided to Contractor in writing.

#### **9.7 Independent Contractor**

(a) This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize a joint venture, partnership, corporation or other formal business association or organization of any kind between Contractor and the City. The rights and the obligations of the parties are only those set forth in this Agreement. Contractor must perform under this Agreement as an independent contractor and not as a representative, employee, agent, or partner of the City.

(b) This Agreement is between the City and an independent contractor and, if Contractor is an individual, nothing provided for under this Agreement constitutes or implies an employer-employee relationship such that:

(i) The City will not be liable under or by reason of this Agreement for the payment of any compensation award or damages in connection with the Contractor performing the Services required under this Agreement.

(ii) Contractor is not entitled to membership in any City Pension Fund, Group Medical Insurance Program, Group Dental Program, Group Vision Care, Group Life Insurance Program, Deferred Income Program, vacation, sick leave, extended sick leave, or any other benefits ordinarily provided to individuals employed and paid through the regular payrolls of the City.

(iii) The City is not required to deduct or withhold any taxes, FICA or other deductions from any compensation provided to Contractor.

(c)(i) The City is subject to the June 16, 2014 the "City of Chicago Hiring Plan" (the "2014 City Hiring Plan") entered in *Shakman v. Democratic Organization of Cook County*, Case No 69 C 2145 (United State District Court for the Northern District of Illinois). Among other things, the 2014 City Hiring Plan prohibits the City from hiring persons as governmental employees in non-exempt positions on the basis of political reasons or factors.

(ii) Contractor is aware that City policy prohibits City employees from directing any individual to apply for a position with Contractor, either as an employee or as a subcontractor, and from directing Contractor to hire an individual as an employee or as a subcontractor. Accordingly, Contractor must follow its own hiring and contracting procedures, without being influenced by City employees. Any and all personnel provided by Contractor under this Agreement are employees or subcontractors of Contractor, not employees of the City of Chicago. This Agreement is not intended to and does not constitute, create, give rise to, or otherwise recognize an employer-employee relationship of any kind between the City and any personnel provided by Contractor.

(iii) Contractor will not condition, base, or knowingly prejudice or affect any term or aspect of the employment of any personnel provided under this Agreement, or offer employment to any individual to provide services under this Agreement, based upon or because of any political reason or factor, including, without limitation, any individual's political affiliation, membership in a political organization or party, political support or activity, political financial contributions, promises of such political support, activity or financial contributions, or such individual's political sponsorship or recommendation. For purposes of this Agreement, a political organization or party is an identifiable group or entity that has as its primary purpose the support of or opposition to candidates for elected public office. Individual political activities are the activities of individual persons in support of or in opposition to political organizations or parties or candidates for elected public office.

(iv) In the event of any communication to Contractor by a City employee or City official in violation of Section (ii) above, or advocating a violation of Section (iii) above, Contractor will, as soon as is reasonably practicable, report such communication to the Hiring Oversight Section of the City's Office of the Inspector General, and also to the head of the relevant City Department utilizing services provided under this Agreement. Contractor will also cooperate with any inquiries by OIG Hiring Oversight related to the contract.



(d) The parties agree that this Contract is solely for the benefit of the parties and nothing herein is intended to create any third party beneficiary rights for subcontractors or other third parties.

#### **9.8 Transferability**

Neither party shall assign, delegate or otherwise transfer all or any part of its rights or obligations under this Agreement without the express written consent of the other party. Contractor may not use subcontractors without the written consent of the City. Such consent shall not be unreasonably withheld.

#### **ARTICLE 10. NOTICES**

Notices provided for in this Agreement, unless provided for otherwise in this Agreement, must be given in writing and may be delivered personally or by placing in the United States mail, first class and certified, return receipt requested, with postage prepaid and addressed as follows:

If to the City:           Department of Family and Support Services  
                                  1615 W. Chicago Ave  
                                  Chicago, Illinois 60602  
                                  Attention: Commissioner

With Copies to:         Department of Law  
                                  Room 600, City Hall  
                                  121 North LaSalle Street  
                                  Chicago, Illinois 60602  
                                  Attention: Corporation Counsel

If to Contractor:       Michael R. Ludwig  
                                  Associate Vice President for Research Administration  
                                  Director, University Research Administration  
                                  6030 South Ellis Ave., Room 114  
                                  Chicago, Illinois 60637

Changes in these addresses must be in writing and delivered in accordance with the provisions of this Article 10. Notices delivered by mail are considered received three days after mailing in accordance with this Article 10. Notices delivered personally are considered effective upon receipt. Refusal to accept delivery has the same effect as receipt.

#### **ARTICLE 11. AUTHORITY**

Execution of this Agreement by Contractor is authorized by a resolution of its Board of Directors, if a corporation, or similar governing document, and the signature(s) of each person

signing on behalf of Contractor have been made with complete and full authority to commit Contractor to all terms and conditions of this Agreement, including each and every representation, certification and warranty contained in it, including the representations, certifications and warranties collectively incorporated by reference in it.

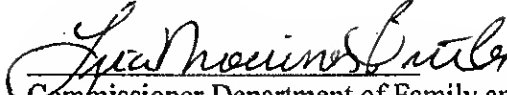
*[Signature Pages, Exhibits and Schedules follow.]*

**SIGNATURE PAGE(S)**

**SIGNED at Chicago, Illinois:**

**CITY OF CHICAGO**

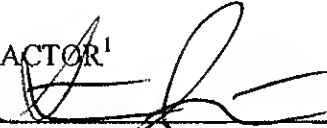
By:

  
Commissioner Department of Family and Support

Services

**CONTRACTOR<sup>1</sup>**

By:

  
Its: Associate VP for Research Admin

**Stefan Jellicoe  
Grants & Contracts Manager  
Acting on behalf of Michael R. Ludwig**

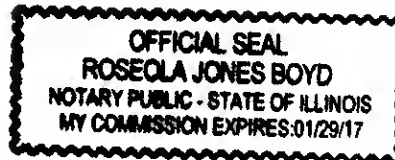
State of

County of

This instrument was acknowledged before me on 3/1/16 (date) by  
Michael R. Ludwig as Associate VP for Research Administration of  
The University of Chicago

  
(Signature of Notary Public)

Seal:



<sup>1</sup>If Contractor is a joint venture or other legal entity for which this signature format is inappropriate, please substitute an appropriate signature page with appropriate attestation and notarization.

**EXHIBIT 1**  
**SCOPE OF SERVICES AND TIME LIMITS FOR PERFORMANCE**

## **Innovation and Evaluation of City of Chicago's Civic Leadership-Based Programs**

### **Overview**

Chicago, like many urban areas in the United States, has seen progress over the last few decades in reducing crime and violence overall, including among disadvantaged youth who are disproportionately represented among victims and perpetrators of crime. But many crime control efforts have come at great cost, both socially and financially, for youth and their communities. Early involvement in the criminal justice system, and in particular incarceration at a young age, can have long-term negative consequences for individual youth, increasing the likelihood of high-school dropout or future arrests, and can also make communities less safe.

The City of Chicago is currently taking a fresh look at the question of how to reduce the chances that youth who have been arrested end up becoming more deeply involved in the juvenile justice system as well as how to reduce their risk from crime and violence involvement either as a victim or a perpetrator. The City's goals are to match the right youth to the right services, while also improving public safety throughout Chicago.

Following the implementation of a new discipline code within the Chicago Public Schools (CPS) in 2012, the City has seen a marked decrease in school-based arrests (a 33% decrease comparing the 2010-11 and 2013-14 school years) as well as in out-of-school suspensions (33%) and expulsions (37%). During the same period, Chicago saw a 25% decrease in shooting victimization among Chicago Public School students.<sup>2</sup> To build on these encouraging trends, the Chicago Police Department (CPD) and the Department of Family and Support Services (DFSS) are developing an innovative strategy to help reduce youth involvement in crime, while also pursuing more humane and socially productive ways to address the challenges youth arrestees face.

At the request of the City of Chicago, the University of Chicago Crime Lab has been working with City leadership including DFSS, CPD, and the Bloomberg Philanthropies Innovation Delivery Team (IDT) to identify and implement promising new strategies to more humanely and effectively meet the needs of at-risk youth with previous involvement with the criminal justice system to improve public safety and measurable youth outcomes. To do this, the Crime Lab is providing data analysis to understand how youth arrests are currently being handled. In addition we are developing a more effective risk and needs assessment process, and also collaborating with DFSS and other partners on a randomized controlled trial (RCT) of two programs: Restoring Individuals through Supportive Environments (RISE) and Youth Working for Success (YWS), targeting youth who were previously arrested and are at risk of escalation into committing violent crimes.

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<sup>2</sup> These figures come from the "Improving Student Safety and School Climates in Chicago Public Schools" fact sheet, released by the City of Chicago.

Based on curricula developed by the Civic Leadership Foundation (CLF), both programs include mentoring and cognitive behavioral therapy (CBT), plus a civic engagement curriculum (RISE) and a job readiness component (YWS). These project-based curricula are designed to empower young people toward a deeper sense of responsibility for themselves and their community, and to prepare them for a fulfilling and productive life. These programs bring together many best practices, including involvement of a positive adult figure, for a determined length of time; elements of cognitive behavioral therapy; use of deferred prosecution; developing self-efficacy; and building a positive group of peers through joint projects.

The lessons Crime Lab researchers hope to generate about what works for this very vulnerable population have the potential to influence policy approaches across the City of Chicago, and also to be replicated in other cities struggling with youth crime.

At-risk youth are typically a population that is difficult to reach and serve: as an example, cognitive behavioral therapy programs that were found to have a positive effect on various youth outcomes have an average retention rate of 63%.<sup>3</sup> Because at-risk youth are so hard to reach, many programs aimed at this population tend to be under-attended. The success of the One Summer Chicago (OSC) summer youth employment program,<sup>4</sup> a massively oversubscribed program, could also be highlighting a different problem: the lack of information about existing program for youth who are the most in need. This mismatch between programs and target youth creates additional costs for the city. To illustrate this, we can take the example of a program designed to enroll 400 youth, at a cost of \$2000 per youth. If only 265 youth ended up participating in the program – which would be a retention rate higher than the abovementioned CBT programs' averages – its effective cost increases to about \$3000 per youth and thus increases the actual cost per youth by 50%. Solving this puzzle would have tremendous impacts on the City's Juvenile Justice programming and its ability to actually reach youth in need of services.

In addition to the lack of information about existing programs, there could be many reasons why these programs are not well attended: they might not match youths' needs or interests, or they might be difficult to access via public transportation. There could also be even more mundane reasons why youth don't attend these programs. Or even if they are aware that these programs and entertainment options exist, they might not come to mind when youth are figuring out what to do in their free time. If particular youth become used to spending their free time in unstructured, unsafe activities, these will probably be what they end up doing, by force of habit.<sup>5</sup> Unsafe activities increase the risk of victimization as well as recidivism and thus increase the risk of escalation into violent crimes for at-risk youth.

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<sup>3</sup> This average comes from a literature review of CBT programs that were delivered in locations ranging from New Orleans to Sydney, Australia.

<sup>4</sup> OSC has 65,000 applicants for 24,000 open positions.

<sup>5</sup> Unless nudged to do otherwise, it is likely that they would default into what they usually do, which in the particular context of at-risk youth in Chicago might often be unsafe activities. Research from psychology on the default affects (*Social Security Policy in a Changing Environment*, 2009) has shown that changing defaults can lead to huge gains in social policy as unaddressed behavioral biases lead individuals to make decisions that yield adverse outcomes.

We offer a potential solution to the challenge of dangerous defaults with a strategy to present relevant information to youth in an accessible and compelling way, and thus change their reliance on dangerous defaults to a greater awareness of and interest in the positive youth development programs offered by the City of Chicago. This strategy would leverage the capabilities and potential of smartphones (and computers) to address the lack of information about existing program for at-risk youth. We would help design a web app that would be a year-round information source for youth interested in city programs. By nudging youth to plan safe activities at times they are most likely to engage in unsafe activities (in particular, evenings and weekends), this could be a promising way to reduce youth violence and victimization. We hope that this new tool will bridge part of the information gap that exists for at-risk youth in Chicago.

### **Deliverables**

The University of Chicago Crime Lab will deliver an Intermediate and Final report on the evaluation of two civic-leadership based programs (RISE and YWS) as well as the web-app aimed at increasing attendance of juvenile justice programs in the city and finally recommendation on diversion strategies.

1. November 30, 2015: Intermediate report
2. March 21, 2016: Final report

These reports would address in particular lessons learned on how to design and carry out evaluations for programs aimed at at-risk youth; how to increase program take-up and retention; and how to help the right youth have access to the programs that would most help them.

**EXHIBIT 2**  
**SCHEDULE OF COMPENSATION**

**Budget**

<b>Name</b>	<b>% effort</b>	<b>5/1/2015 - 4/30/2016</b>
Aurelie Ouss	60%	\$72,000
Kelly Hallberg	10%	\$17,500
Binta Diop	75%	\$36,000
Louise Geraghty	40%	\$19,200
Brice Cooke	20%	\$13,400
Sam Edds	15%	\$9,750
Fringe Benefits at 29.9%		\$50,187
<b>Subtotal Personnel:</b>		<b>\$218,037</b>
Travel:		\$9,718
<b>Subtotal Other Direct Costs:</b>		<b>\$9,718</b>
<b>Total Direct Costs:</b>		<b>\$227,755</b>
Indirect costs, 20%		\$45,551
<b>TOTAL PROJECT BUDGET:</b>		<b>\$273,306</b>



**EXHIBIT 3**  
**GRANT AGREEMENT**

Draft -- November 1, 2011

## GRANT AGREEMENT

GRANT AGREEMENT (hereinafter referred to as the "Agreement") made this 1 day of November, 2011 by and between The Bloomberg Family Foundation Inc. (the "Foundation") and the City of Chicago, Illinois, a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "Grantee").

WHEREAS, the Foundation has created an initiative with the purpose of helping mayors unlock innovation to solve pressing local challenges, create new value for residents and position cities for long-term growth and opportunity, as more fully described in Schedule A attached hereto (the "Initiative"); and

WHEREAS, the Grantee is well positioned to benefit from the Initiative and agrees to the provisions herein; and

WHEREAS, the Foundation wishes to make a donation to the Grantee as part of the Initiative whereby the Grantee will create an Innovation Delivery Team, as described below.

NOW, THEREFORE, THE FOUNDATION AND THE GRANTEE AGREE AS FOLLOWS:

1. Grant. The Foundation pledges and agrees that it will make grants to support the Program, as defined below in Section 2, in the aggregate amount of \$6,000,000 (the "Total Initiative Support"). A portion of the Total Initiative Support in an amount equal to \$144,000 shall be contributed by the Foundation to a third-party grantee in support of the Bloomberg Fellows Program, and it is understood that the services of a Bloomberg Fellow will be provided by such third-party grantee to the Grantee for a period of two years. The Foundation shall grant directly to the Grantee the remaining portion of the Total Initiative Support in an amount not to exceed \$5,856,000 in cash (hereinafter sometimes referred to as the "Grant" and the "Grant Funds"). Grant Funds shall be available during the period beginning on the date of this agreement and ending on October 31, 2014. Grant Funds shall be paid in U.S. Dollars. Grant Funds will be paid in at least four installments after receipt by the Foundation of the enclosed countersigned copy of this Agreement and according to the following payment schedule and instructions for payment:

<u>Payment Date</u>	<u>Payment Amount</u>	<u>Contingent Upon</u>
On or before [November 1], 2011	Not to Exceed \$1,358,874	<ul style="list-style-type: none"> <li>• Receipt of countersigned copy of this Agreement</li> </ul>
On or before February 29, 2012	Not to Exceed \$569,126	<ul style="list-style-type: none"> <li>• Provision of satisfactory final budget as described in Section 3</li> <li>• Satisfactory progress with respect to the Program</li> <li>• Compliance with all other terms of this Agreement</li> </ul>
On or before November 1, 2012	Not to Exceed \$1,928,000	<ul style="list-style-type: none"> <li>• Satisfaction of matching requirements described in Section 5</li> <li>• Satisfaction of benchmarks described in Schedule A</li> <li>• Timely reports and satisfactory progress with respect to the Program</li> <li>• Compliance with all other terms of this Agreement</li> </ul>
On or before November 1, 2013	Not to Exceed \$2,000,000	<ul style="list-style-type: none"> <li>• Satisfaction of matching requirements described in Section 5</li> <li>• Timely reports and satisfactory progress with respect to the Program</li> <li>• Compliance with all other terms of this Agreement</li> </ul>

2. Purpose. The Grant shall be used by the Grantee to create and support small units situated in the Grantee's mayor's office, staffed with top talent and charged with driving innovation agendas and delivering results to ensure that measurable progress is achieved in the areas of highest concern to the city, as identified by the mayor (an "Innovation Delivery Team"). In particular, the Grant shall be used to reduce waiting and processing times for key city services and dramatically scale energy efficiency efforts in accordance with the requirements set forth on Schedule A attached hereto (the "Program"), and to engage in other activities as are consistent with the Program as outlined in this Agreement and the schedules attached hereto, including the Program budget as set forth on Schedule C attached hereto (the "Program Budget" or the "Budget").

3. Use of Grant Funds.

(a) Scope and Budget. Under United States law, Grant Funds may be expended only for charitable, scientific, literary or educational purposes. This Grant is made only for the purposes stated in this Agreement and the schedules attached hereto, and it is understood that Grant Funds will be used for such purposes in accordance with the Program

Budget described in Section 3(b). Any Grant Funds not expended or committed for the purposes of the Grant, or within the period stated above, must be returned to the Foundation, unless otherwise authorized in writing by the Foundation.

(b) Budget. The Program Budget has been developed to cover costs related to the Program and the Foundation's funding of the Program. The Program Budget is currently allocated among budget lines based on the Grantee's and the Foundation's estimates of the appropriate allocation. On the date hereof, the Grantee shall provide to the Foundation as Schedule C hereto a draft final Budget setting forth the final allocation of the Grant Funds. The Grantee and the Foundation shall work together to make any further changes to such draft, and if the Grantee has not provided to the Foundation a final Budget (incorporating any agreed-to changes) satisfactory to the Foundation by February 15, 2012, the Grantee shall return any unexpended or uncommitted Grant Funds to the Foundation, and the Foundation shall have the right to discontinue funding the Program or cancel the Grant with respect to any then undistributed Grant Funds. Once approved by the Foundation, the final Budget shall supersede and replace the Program Budget initially attached hereto as Schedule C. The Grantee must adhere to the Program Budget. The Grantee must deposit the Grant Funds in an interest-bearing account or other short-term investment vehicle and must apply any interest earned to the Program. Any additional income related to Grant Funds, including but not limited to dividends, interest or appreciation must be used for the Program.

(c) Key Persons. In order to ensure that the work of the Innovation Delivery Team is not jeopardized, it is critical that the Grantee quickly fills vacancies, should they occur, with well-qualified candidates. The Grantee shall notify the Foundation within 3 business days if a key member of the Innovation Delivery Team (director, project manager or performance management lead (together, the "Key Persons")) resigns or otherwise ceases to be employed by the Grantee. The Foundation shall have the right to discontinue funding the Program or cancel the Grant with respect to any then undistributed Grant Funds if (a) any vacant position is not filled within 60 days after such notification with a person possessing similar skills and capabilities, (b) the Foundation has not been provided employment history information about the person hired to fill the vacancy that demonstrates the person is well-qualified to fill the position, or (c) in the event that any Key Person is not devoting all of his or her business time to the Program.

(d) Restrictions on Distribution of Grant Funds. The Grantee acknowledges that it is familiar with the U.S. Executive Orders and laws that prohibit the provision of resources and support to organizations and individuals and/or organizations associated with terrorism and terrorist related lists promulgated by the U.S. Government, the United Nations, and the European Union. The Grantee will take all precautions necessary to ensure that none of the Grant Funds will be used in support of or to promote violence, terrorist activity or related training, whether directly through its own activities and programs, or indirectly through its support of, or cooperation with, other persons and organizations known to support terrorism or that are involved in money laundering activities. In addition, the Grantee confirms that no Grant Funds will be paid to, or on behalf of, U.S. Government officials.

#### 4. Reporting.

(a) **Financial Reports.** The Grantee shall provide semi-annual financial reports reflecting expenditures according to the line-item categories of the Program Budget as of the end of the applicable reporting period.

(b) **Narrative Reports.** The Grantee shall provide narrative accounts of what has been accomplished by the expenditure of Grant Funds (including an assurance that the activities under the Grant and the Program have been conducted in conformity with the terms of this Agreement). The narrative reports shall also include copies of any media coverage of the Program and two copies of any publication, audio or video program, film or other media project produced by the Grantee under this Grant for archival and/or research purposes. The Foundation shall have the right to make, or obtain from the Grantee, additional copies of any Grant product and to disseminate such products.

(c) Specific details and formats for all reports will be shared at a later date. All reports should be submitted electronically to the attention of [reports@bloomberg.org](mailto:reports@bloomberg.org) on or by the following dates:

Report Type	Report Requirements	Report Due Date
Semi-annual Financial / Narrative	<p>Activity for the period from January 1, 2012 through June 30, 2012</p> <p>Summary of idea generation process</p> <p>Implementation plans for each initiative including:</p> <ul style="list-style-type: none"> <li>- Interim and final target deliverables</li> <li>- Performance metrics related to those deliverables</li> <li>- Clear roles and responsibilities for all relevant agencies and partners</li> <li>- Work plan to reach stated goals, including identification of risks and interdependencies</li> <li>- Detailed budgets</li> </ul> <p>Progress on fundraising to meet the match requirement and strategy for fulfilling the year 1 match by October 5, 2012.</p>	August 1, 2012
Semi-annual Financial / Narrative	<p>Activity for July 1, 2012 through December 31, 2012</p> <p>Delivery progress including:</p> <ul style="list-style-type: none"> <li>- Performance metrics reporting on progress against deliverables mutually</li> </ul>	February 1, 2013

	<p>agreed upon by Grantee and the Foundation (e.g., 50% of quick wins fulfilled and interim benchmarks for longer-term targets)</p> <ul style="list-style-type: none"> <li>- Achievement of initiative milestones as identified in implementation plans</li> </ul> <p>Refined initiative and implementation plans based on performance and learnings to-date</p>	
Semi-annual Financial / Narrative	<p>Semi-annual activity for the periods from:</p> <ol style="list-style-type: none"> <li>1) January 1, 2013 through June 30, 2013</li> <li>2) July 1 through December 31, 2013</li> <li>3) January 1, 2014 through June 30, 2014</li> </ol> <p>Delivery progress including:</p> <ul style="list-style-type: none"> <li>- Performance metrics reporting on progress against deliverables mutually agreed upon by Grantee and the Foundation</li> <li>- Achievement of initiative milestones as identified in implementation plans</li> </ul>	<ol style="list-style-type: none"> <li>1) August 1, 2013</li> <li>2) February 3, 2014</li> <li>3) August 1, 2014</li> </ol>
Final Report	<p>Date of this Agreement through October 31, 2014</p> <p>Delivery progress including:</p> <ul style="list-style-type: none"> <li>- Performance metrics reporting on progress against deliverables mutually agreed upon by Grantee and the Foundation</li> <li>- Achievement of initiative milestones as identified in implementation plans</li> </ul>	December 15, 2014

(d) The Grantee will be required to submit additional periodic reports as requested by the Foundation (format to be specified by the Foundation) on Program progress.

(e) If any report is not submitted, further payments, if any, under this Grant or under any other Foundation grant to the Grantee shall be withheld,

5. Matching Requirement. The purpose of the match requirement is to accelerate impact in the Grantee's priority areas by generating new resources that otherwise would not have been dedicated to the Innovation Delivery Team or their work. The "Matching

Requirements" shall meet the following conditions and shall be satisfied if the following conditions are met:

(a) In each of the first two years of the Grant, the Grantee shall match the Grant by raising each year an amount equal to at least \$1,000,000 (the "Matching Funds"). The Matching Funds must be secured by October 5, 2012 with respect to the first year match and October 4, 2013 with respect to the second year match.

(b) By each of October 5, 2012 and October 4, 2013, the Grantee shall provide a certification of the amount that has been raised by the Grantee during the preceding year in compliance with this Section 5, including information about amounts paid, amounts pledged and amounts received in respect of prior pledges in fulfillment of the Matching Requirement.

(c) Pledged amounts, outright grants or gifts, or amounts appropriated through the Grantee's budget-setting process (but only to the extent that the annual appropriations during any matching period exceed the annual appropriation that existed prior to the date of this Agreement), which are designated to be used to support the Initiative and/or the Innovation Delivery Team and which are made in cash are eligible for Matching Requirement purposes, unless otherwise agreed to by the Foundation.

(d) If the Grantee has not fulfilled the Matching Requirement during the required period, the Foundation's obligation to disburse any unpaid portion of the Grant Funds shall terminate and, with respect to those Grant Funds already disbursed by the Foundation but not matched by the Grantee, the Foundation shall review the Grantee's position and determine if (i) the Grant term and matching period should be extended, (ii) the unmatched portion of the Grant Funds should be returned to the Foundation or (iii) other options should be pursued.

6. Record Maintenance and Inspection. The Grantee shall make its books and records related to the Program available for inspection at reasonable times by the Foundation or its assignee. The Grantee shall maintain records of expenditures, as well as copies of the reports submitted to the Foundation, for at least four years after completion of the use of the Grant Funds. The Foundation may monitor and conduct evaluations of Grantee operations under the Grant. Such monitoring may include the Foundation's personnel or assignees: (i) visiting the Grantee to observe the Program, (ii) speaking with Grantee staff members regarding the Program and (iii) conducting a review of financial records related to the Program.

7. Prohibition on Lobbying and Other Compliance with Tax Laws. Grant Funds may not be used by the Grantee:

(a) to carry on propaganda, or otherwise attempt to influence any specific legislation through (i) an attempt to affect the opinion of the general public or any segment thereof or (ii) communication with any member or employee of a legislative body, or with any other governmental official or employee who may participate in the formulation of the legislation (except technical advice or assistance provided to a governmental body or to a committee or other subdivision thereof in response to a written request by such body, committee or subdivision), other than through making available the results of non-partisan analysis, study or research;

(b) to influence the outcome of any specific public election or to carry on, directly or indirectly, any voter registration drive;

(c) to engage in activities that require any member of the Innovation Delivery Team to register as a lobbyist or be identified as a lobbyist in a registration or report filed with a public agency by any other person or entity; or

(d) to support the election or defeat of a candidate for public office, finance electioneering communications, register prospective voters or encourage the general public or any segment thereof to vote in a specific election.

8. Grantee Representation. Conduct by the Grantee of the activities described in Schedules A and B hereto in the manner described therein shall not cause the Grantee to be in violation of any federal, state, local or municipal law, rule, regulation or ordinance.

9. Compliance. If the Foundation is not satisfied with the progress of the Program or the content of any written report, and if after any corrective action agreed upon between the Foundation and the Grantee has been taken, the Foundation is still not satisfied, the Foundation shall have the right to suspend or discontinue the funding of the Program or to cancel the Grant with regard to any undistributed Grant Funds.

10. Grant Announcements and Public Reports. The Grantee agrees to acknowledge the Foundation's funding in publications, advertising, speeches, lectures, interviews, press releases, internet web pages, and other similar activities related to the Initiative (together, "Media Releases"). The Grantee shall provide copies of all Media Releases to the Foundation and obtain the Foundation's consent prior to publication or distribution in any format of any Media Release.

11. Copyrights. The Grantee hereby grants to the Foundation a non-exclusive, royalty-free, worldwide, perpetual license, to all Grantee's rights, in all media now known or hereafter developed, to reproduce, distribute, publicly display and perform and create derivative works from all works developed by the Grantee as part of the Grant.

12. Initiative Coordination. The Grantee acknowledges that the success of the Program and of the Initiative is dependent upon the sharing of information, and cooperation generally, among partners in the Initiative. Accordingly, the Grantee shall submit updates, at the times and in the format requested by the Foundation, about Program status, contacts and other requested topics in order to keep the other partners in the Initiative apprised of developments concerning the Initiative and in order to prevent duplication of efforts and achieve maximum Program impact.

13. Governing Law. This Agreement shall be interpreted in accordance with the laws of the State of New York and the Internal Revenue Code of 1986, as amended.

14. Miscellaneous. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument. This Agreement shall be binding upon, inure to the benefit of, and may be enforced by, each of the parties to this Agreement and its successors and permitted assigns. Each



provision of this Agreement shall be considered separable, and if, for any reason, any provision or provisions hereof are determined to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall attach only to such provision and shall not in any manner affect or render illegal, invalid or unenforceable any other provision of this Agreement, and this Agreement shall be carried out as if any such illegal, invalid or unenforceable provision were not contained herein. This Agreement, including any schedules, amendments, modifications, waivers, or notifications relating thereto may be executed and delivered by facsimile, electronic mail, or other electronic means. Any such facsimile, electronic mail transmission, or communication via such electronic means shall constitute the final agreement of the parties and conclusive proof of such agreement, and shall be deemed to be in writing and to have the same effect as if signed manually.

[SIGNATURE PAGE FOLLOWS]

## Schedule A Program Description

### Overview

The Innovation Delivery Team grants are among the first grants to be made through the Mayors Project. The Mayors Project is the centerpiece of Bloomberg Philanthropies' government innovation program and it aims to spread proven or promising ideas between cities, replicating innovative programs, policies, and leadership strategies that solve pressing challenges and position municipal government to create greater impact.

Innovation Delivery Teams help mayors develop and deliver powerful solutions to major urban challenges. Situated in a mayor's office, these teams of top performers bring rigorous focus and best-in-class practice to identifying powerful solutions, developing implementation plans and then managing for results – effectively engaging all necessary stakeholders to support success throughout the process. The Innovation Delivery Team model draws from successful approaches used around the world. In New York City, Mayor Bloomberg established teams to develop and implement bold anti-poverty, sustainability, and efficiency agendas. Former Prime Minister Tony Blair formed the Prime Minister's Delivery Unit to achieve impact in transportation, education, health, and criminal justice. In Malaysia, Prime Minister Najib Razak's Performance Management and Delivery Unit has documented critical gains in advancing that nation's government and economic transformation plans.

The Bloomberg Family Foundation Inc. (the "Foundation"), through the Mayors Project, is funding Innovation Delivery Teams in five cities. The goal is to demonstrate that this model can significantly increase innovation and drive powerful results in various cities, across multiple issue areas, and under different mayors. To adequately assess the impact of the model and its replicability, it is important that a core set of elements is consistently implemented across cities, even as each mayor identifies his or her city's priority issues and interventions, hires his or her own director and team, and otherwise brings innovation to the project and the team's work.

### Personnel Services

A core set of positions and capacities are required on all Innovation Delivery Teams. Additional positions can be customized as needed to align with both the existing capacity in the mayor's office and the specific needs of the local innovation agenda. While Innovation Delivery Teams work in consultation with agency staff and other key stakeholders to identify powerful solutions, develop implementation plans, and deliver results, they do not do direct implementation. They do, however, bring expert project management to the implementation process and consult with implementers to identify challenges and adjust strategy when needed to achieve results.

- a. Personnel Services (PS) expenses cannot exceed 70% of the total Grant in a given year.
- b. Salaries of Innovation Delivery Team members shall be commensurate with other mayor's staff at similar levels.
- c. Innovation Delivery Team members shall be provided fringe benefits commensurate with other mayor's office employees.
- d. Innovation Delivery Team members shall be provided work space and equipment (computer, printer, phone, blackberry, etc.) commensurate with other mayor's office employees.
- e. Innovation Delivery Team members shall focus solely on the activities outlined in this Agreement. Specifically, the vast majority of the Innovation Delivery Team's time

(roughly 95%) will be dedicated to reducing waiting and processing times for key city services and dramatically scaling energy efficiency efforts. The remaining portion will be devoted to sharing the unit's strategic framework and best practices for innovation and delivery throughout city government and participating in the Bloomberg Philanthropies' Innovation Delivery Team cohort activities.

f. The following core staff positions are required:

- **Director:** The director of the Innovation Delivery Team reports directly to the mayor and is trusted to interact with agency heads and other senior staff members. (S)he is the member of the mayor's senior leadership team charged with delivering on at least two of the city's top priorities as identified by the mayor. Sitting outside the line management hierarchy of the mayor's office, (s)he must neither manage, nor be managed by the agency heads and/or other senior staff members who are responsible for the specific policy priorities assigned to the Innovation Delivery Team. Characteristics of successful candidates for the Innovation Delivery Team director position include demonstrated: (i) ability to manage large scale change efforts; (ii) understanding of the mechanics of city government; (iii) track record of establishing targets and delivering results; (iv) direct experience working with high-ranking government or private sector leaders; and (v) ability to thoughtfully and respectfully engage diverse stakeholders around a shared vision for achieving results.
- **Project Managers (one per focus area):** Reporting to the director, the project managers are responsible for coordinating all work across their respective priority areas, from facilitating idea generation through implementation planning and delivery. This includes creating work plans, developing working relationships and liaising with agency heads and other stakeholders in order to deliver on the established innovation delivery targets.
- **Performance Management Lead:** Reporting to the director, the performance management lead is responsible for building and monitoring the performance management system the Innovation Delivery Team uses to track its progress across all priority areas. (S)he actively supports the project managers throughout implementation, assembling, and analyzing performance data on all initiatives. (S)he is also be responsible for overseeing evaluation by a third-party evaluator if such a group is brought in.
- **Bloomberg Innovation Delivery Fellow:** Reporting to the director, the Bloomberg Innovation Delivery Fellow is part of a national fellowship program run by the New York University Robert F. Wagner Graduate School of Public Service ("NYU"). The fellow's responsibilities include (i) ensuring a clear record is kept of process and programmatic work and innovations at the individual city level, (ii) participating in all fellowship activities (e.g., fellowship convenings and phone calls), and (iii) supporting the Innovative Delivery Team as needed, helping to expand its internal capabilities and deepen its impact. The fellow will be selected by the City from a pool of candidates assembled by NYU and will be paid by NYU.

g. The following core capacities are also required:

- On-team capacity to develop message points, summary reports, compelling charts, and other internal or external documents showcasing the Innovation Delivery Team's work. Some cities may choose to create a specific position to lead this work; others may assign this work to an existing and qualified member of the Innovation Delivery Team.

- In-city capacity to generate funds as needed to support the priority initiatives. Cities may choose to create an additional position (i.e. a development lead) or assign this work to another individual or office in the city.
- h. Depending on the Innovation Delivery Team director's needs and preferences, Grantees may also choose to create additional positions. These could include, but are not limited to:
  - Junior Project Manager(s): Junior project managers support a specific project manager and priority area, providing varied support such as research, analytics, and document development.
  - Administrative Support Person: The administrative support person provides general administrative and analytical support for all Innovation Delivery Team members, with additional time given to support the director to ensure overall project management coordination.

**Other Than Personnel Services (OTPS):** Grant Funds may also be used for OTPS expenses directly associated with the Innovation Delivery Team's work. Grantees will customize the OTPS budget to the specific needs of their city.

- a. Eligible OTPS uses of Grant Funds include, but are not limited to: consultants, performance management systems, graphic design and printing, independent evaluation, and training (including training of agency staff working on the priority projects). Grant Funds cannot be used for the direct implementation of programmatic initiatives the Innovation Delivery Team is project managing.
- b. Disbursement of the OTPS portion of the Grant Funds will be made when the Foundation approves a final budget submitted by the Innovation Delivery Team director.

### **Scope of Work**

Innovation Delivery Teams help mayors effectively design and implement solutions to pressing city challenges. To meet each city's impact goals in priority areas, the teams generate innovative solutions, develop implementation plans, and manage progress towards defined targets. While Innovation Delivery Teams work in consultation with agency staff and other key stakeholders to identify powerful solutions, develop implementation plans, and deliver results, they do not do direct implementation. They do, however, bring expert project management to the implementation process and consult with implementers to identify challenges and adjust strategy when needed to achieve results.

- a. Innovation Delivery Team work will focus on reducing waiting and processing times for key city services and dramatically scaling energy efficiency efforts. Changes to the scope of the Innovation Delivery Team's work over time (e.g. changing or additional priorities) must be presented to the Foundation for approval.
- b. Innovation Delivery Team activities primarily fall within three broad categories: idea generation and feasibility testing ("Design and Innovate" in the *Innovation Delivery Team Playbook*), implementation planning ("Prepare to Deliver" in the *Innovation Delivery Team Playbook*), and delivery ("Deliver and Adapt" in the *Innovation Delivery Team Playbook*).
  - Design and Innovate: Innovation Delivery Teams work closely with senior mayoral aides and agency heads in the development of innovative solutions to achieve measurable progress in high-priority areas. This work includes:
    - o Identifying the specific challenges to tackle within a priority area;

- Setting a target for each challenge;
  - Defining the contributing issues and deciding where to focus;
  - Understanding current activities and performance;
  - Developing ideas by facilitating the generation of ideas (strategies, programs, and policies), often by engaging residents, frontline workers, and external stakeholders across sectors to ensure that a wide range of high-potential ideas are considered;
  - Prioritizing initiatives based on feasibility and impact; and
  - Completing the delivery strategy, including coordinating with relevant agency heads and other city stakeholders to secure buy-in.
- Prepare to Deliver: Once there has been a commitment to pursue initiatives, Innovation Delivery Teams ensure that there are clear and appropriate plans for delivery, specifically that key tasks and work streams have appointed "owners" and that the resources and inputs are sufficient to achieve intended results. This requires working with relevant agencies to:
- Develop a charter for each initiative;
  - Develop a concrete and detailed implementation plan for each initiative. Including identifying budgets and securing funding as required;
  - Set initiative targets and the path to success;
  - Bring together staff to deliver the initiative; and
  - Pursue a compelling stakeholder engagement approach.
- Deliver and Adapt: When solutions move from the planning phase to the delivery phase, Innovation Delivery Teams direct their efforts towards project and performance management. Specifically, they are responsible for:
- Pushing delivery day in and day out, monitoring performance to assess whether implementers are on track to achieve the established target(s);
  - Working with implementers to determine course corrections when necessary;
  - Keeping the Mayor informed and engaged in key decision-making;
  - Keeping department heads accountable;
  - Ensuring effective coordination between agencies and relevant stakeholders where applicable;
  - Conducting in-depth assessments of delivery capacity and initiative efficacy; and
  - Communicating work to relevant audiences.
- c. The Grantee's Innovation Delivery Team must follow certain protocols and practices related to idea generation, implementation planning, and delivery as established in the *Innovation Delivery Team Playbook* that will be distributed at the Innovation Delivery Team director training in November 2011. The Playbook includes both flexible and required components, as well as associated resources and tools to support local efforts.

#### **Training and Network Activities**

- a. Bloomberg Philanthropies will provide training for Innovation Delivery Team directors in New York City November 2 – 4, 2011, and an orientation for Bloomberg Innovation Delivery Fellows in New York City in February 2012. Additional required trainings for other team members may also be developed.
- b. Innovation Delivery Team members will also participate in routine implementation network activities, facilitated by Bloomberg Philanthropies or its designated partners, to

share their progress and engage in collective problem solving with their peers who are building and operating Innovation Delivery Teams in other cities. These required activities include, but are not limited to, phone calls and web dialogues.

**Benchmarks**

- a. The Grantee is expected to achieve the following year one benchmarks by the dates listed below.

• Innovation Delivery Team director hired and on board	November 1, 2011
• Full Innovation Delivery Team hired and on board	January 17, 2012
• Innovation delivery targets drafted • Final budget submitted	February 15, 2012
• Initiatives finalized	April 30, 2012
• Implementation plans completed for all initiatives • Performance management system in place • Press announcements on initiative launches	May 30, 2012
• Revised initiative and implementation plans completed*	October 5, 2012
• 100% of first year matching funds secured	October 5, 2012

\* Note: Subsequent benchmarks will be aligned with innovation delivery targets in each priority area and associated activities.

**Schedule B**  
**Proposed PS Budget**

**Schedule C**

**Draft Final Budget  
(to replaced with Final Budget pursuant to Section 3(b))**



EXECUTION VERSION

**GRANT AMENDMENT  
TO THE GRANT AGREEMENT BETWEEN  
THE BLOOMBERG FAMILY FOUNDATION INC. AND  
CITY OF CHICAGO**

City of Chicago, Illinois (the "Grantee") and The Bloomberg Family Foundation Inc. (the "Foundation"), the parties to that certain grant agreement, dated as of November 1, 2011 (the "Original Grant Agreement") and amended and restated as of November 1, 2012 (the "First Amended and Restated Grant Agreement"), and further amended as of October 31, 2013 (the "Second Amendment", and together with the Original Grant Agreement and the First Amended and Restated Grant Agreement, the "Grant Agreement"), desire to, and hereby do, amend the Grant Agreement as follows (please check appropriate boxes):

  X   The Grant Term is extended to October 31, 2015.

  X   The reporting schedule in Section 4(c) of the Grant Agreement is modified to replace the last row with the following three rows:

Semi-annual Financial / Narrative	Semi-annual activity for the period from May 1, 2014 through October 31, 2014 <ul style="list-style-type: none"> <li>• Financial reporting against approved budget items using the template provided by the Foundation.</li> <li>• Narrative report in a format established by the Foundation.</li> <li>• Index of Progress using data reporting system provided by the Foundation.</li> </ul>	January 5, 2015
Semi-annual Financial / Narrative	Semi-annual activity for the period from November 1, 2014 through April 30, 2015 <ul style="list-style-type: none"> <li>• Financial reporting against approved budget items using the template provided by the Foundation.</li> <li>• Narrative report in a format established by the Foundation.</li> <li>• Index of Progress using data reporting system provided by the Foundation.</li> </ul>	July 6, 2015

Final Report	November 1, 2011 through October 31, 2015	January 4, 2016
	<ul style="list-style-type: none"> <li>• Financial reporting using the template provided by the Foundation.</li> <li>• Narrative report in a format established by the Foundation.</li> <li>• Index of Progress using data reporting system provided by the Foundation.</li> </ul>	

  X   Schedule B is supplemented by the Revised Schedule B attached hereto. The usage of Grant Funds beyond December 31, 2014 shall be contingent upon the securement of public funding for staff-related spending. For the avoidance of doubt, as stated in the Grant Agreement, the Grant Funds will not exceed \$5,876,930.

This amendment (the "Amendment") is effective as of the date written below.

Capitalized terms not otherwise defined here shall have the meanings given to them in the Grant Agreement.

Except as amended and supplemented hereby, the Grant Agreement is hereby ratified, confirmed and reaffirmed in all respects.

For the convenience of the parties, any number of counterparts of this Amendment may be executed by any one or more parties hereto, and each such executed counterpart shall be, and shall be deemed to be, an original, but all of which shall constitute in the aggregate but one and the same instrument. This Amendment, including any schedules, amendments, modifications, waivers, or notifications relating thereto may be executed and delivered by facsimile, electronic mail, or other electronic means. Any such facsimile, electronic mail transmission, or communication via such electronic means shall constitute the final agreement of the parties and conclusive proof of such agreement, and shall be deemed to be in writing and to have the same effect as if signed manually. Any consent required to be given in writing hereunder may be given by electronic mail.

This Amendment, its validity, construction and performance shall be governed by and construed in all respects under the laws of the State of New York without regard to the laws that would otherwise apply under applicable choice-of-law principles.

*[Signature page follows]*

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of \_\_\_\_\_, 2014.

By: *Diane Gubelli*  
Name: Diane Gubelli  
Title: Authorized Person  
The Bloomberg Family Foundation Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
City of Chicago

One of two originals

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed as of \_\_\_\_\_, 2014.

By: *Diane Gubelli*  
Name: Diane Gubelli  
Title: Authorized Person  
The Bloomberg Family Foundation Inc.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
City of Chicago

Two of two originals

Revised Schedule B

INNOVATION DELIVERY TEAM: Personnel Services

Position	Annual Salary	Annual Benefits (standard City of Chicago benefits - calculated at 37.26%)	Annual Total (Column B + C)	Start Date	Expected Spending in Fourth Grant Year (10/1/14 - 10/31/15)
Director	\$154,992.00	\$57,750.02	\$212,742.02		\$212,742.02
Project Manager - Environment / DFSS - Youth Violence	\$135,000.00	\$50,301.00	\$185,301.00		\$185,301.00
Project Manager - Time in Line / DFSS - Social Service Delivery	\$115,000.00	\$42,849.00	\$157,849.00		\$157,849.00
Analyst	\$90,000.00	\$29,808.00	\$109,808.00		\$109,808.00
Analyst	\$70,000.00	\$26,082.00	\$96,082.00		\$96,082.00
Analyst	\$70,000.00	\$26,082.00	\$96,082.00		\$96,082.00
Analyst	\$60,000.00	\$22,356.00	\$82,356.00		\$82,356.00
Analyst (Nov-Dec only)	\$94,500.00	\$35,210.70	\$129,710.70		\$21,518.45
Analyst (Nov-Dec only)	\$48,000.00	\$17,884.80	\$65,884.80		\$10,980.80
Administrative Assistant	\$50,000.00	\$18,630.00	\$68,630.00		\$68,630.00
TOTAL PS BUDGET					\$1,041,449.27

Note: While the value of the Bloomberg Innovation Delivery Fellow (\$172,000 each year for two years) is included in the total value of your grant, it is not a portion of the cash grant and therefore should not be included on this budget or in financial reports. However, total PS expenses can not exceed 70% of the grant value and the value of the Fellow does count towards the 70%.

Notes:

INNOVATION DELIVERY TEAM: OIPS TEMPLATE				
ITEM	DESCRIPTION	QTY	UNIT PRICE	TOTAL PRICE
Contracts/Consulting	Contracts given to individuals or companies. (Examples include contracts with managers consulting firms, training providers, evaluation firms, or other organizations.)	1	\$0,000.00	Customer Service Survey - Professionally Designed Surveys (both projects): Survey design assisting customer satisfaction using proven industry models - Survey administration (e.g., mail, e-mail) - Survey interview administration (random drawing of minimal compensation for time) - Survey analysis (tabs)
		1	\$100,000.00	Chamber Assessment - Hire a Performance Management consultant to perform an independent assessment of the Chamber program, including impact of 2014 program changes, and help shape future direction (e.g., go to centers of excellence around the City or hire satellite offices).
		1	\$100,000.00	Small Business Environment Assessment - Hire PIA consultant to perform an independent assessment of small business initiatives launched through the SBC
		1	\$0,000.00	Branding Support - Support branding of Chicago Social Service Delivery Efforts
		1	\$20,000.00	Training - cross-training of City of Chicago employees to allow for performance of food/donations - training of city non-profit employees in process implementation (training slides/notes) - training community service center staff on special work tools & tasks
		1	\$41,250.00	SBA Performance Evaluation
		1	\$20,000.00	Customer Service Front Line training (ongoing)
		1	\$11,000.00	Design of database to house Social Service Resources
Graphic Design and Printing	Production of reports and other materials.	1	\$0,000.00	Customer Experience Materials Design and Printing
Equipment	Purchase or rental of furniture and fixtures, computer hardware and software, printers, photocopiers, machines, scanners, blackboards, phones, etc.	1	\$20,000.00	
Travel/Meetings/Workshops	Travel for meetings, seminars, workshops, etc. as well as individuals related to travel, meetings and seminars. (Examples include airfare, hotel, per diem, train fare, car, rental of vehicle to hold a workshop session.) All cases for travel and incidental should comply with the City's policies and procedures. Note that travel for Bloomberg Philanthropies convenings will be paid by Bloomberg and does not need to be drawn from grant funds.	1	\$0,000.00	Travel
Direct Operating Costs	Team related, but not included in any other Budget Line Item above. (Examples include rent, supplies for the Team).	1	\$1,000.00	
Indirect Operating Costs	Not directly attributable to the Team, but still necessary for the overall operations. These are usually portions of general and administrative type expenses. (Examples include Accounting fees, insurance, telephone, utilities, bank fees)	1	\$0,000.00	
TOTAL OIPS BUDGET		1	\$02,300.00	

2014-2015 INNOVATION DELIVERY TEAM: TOTAL BUDGET	
PS	\$1,041,449.27
OTPS	\$562,250.00
UNALLOCATED	
TOTAL	\$1,603,699.27

**EXHIBIT 4**  
**ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT**





CERTIFICATE OF FILING FOR  
CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT

EDS Number: 80772

Certificate Printed on: 02/19/2016

Date of This Filing: 02/19/2016 04:16 PM

Original Filing Date: 02/19/2016 04:16 PM

Disclosing Party: The University of Chicago  
Filed by: Michael R Ludwig

Title: Associate Vice President for Research  
Administration

Matter: Research Services Agreement

Applicant: The University of Chicago

Specification #:

Contract #:

The Economic Disclosure Statement referenced above has been electronically filed with the City. Please provide a copy of this Certificate of Filing to your city contact with other required documents pertaining to the Matter. For additional guidance as to when to provide this Certificate and other required documents, please follow instructions provided to you about the Matter or consult with your City contact.

A copy of the EDS may be viewed and printed by visiting <https://webapps1.cityofchicago.org/EDSWeb> and entering the EDS number into the EDS Search. Prior to contract award, the filing is accessible online only to the disclosing party and the City, but is still subject to the Illinois Freedom of Information Act. The filing is visible online to the public after contract award.

**EXHIBIT 5**  
**INSURANCE REQUIREMENTS AND**  
**EVIDENCE OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/08/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELD. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> MARSH USA INC. 540 W. MADISON CHICAGO, IL 60661	<b>CONTACT NAME:</b> <b>PHONE (A/C, No, Ext):</b> <b>E-MAIL:</b> <b>ADDRESS:</b>	<b>FAX (A/C, No):</b>
018695-ALL-GAXW-15-16	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> THE UNIVERSITY OF CHICAGO 6054 S. OREXEL AVE CHICAGO, IL 60637-2612	<b>INSURER A:</b> Self Insured	<b>NAIC #</b>
	<b>INSURER B:</b> United Educators Insurance, A Reciprocal RRG	10020
	<b>INSURER C:</b> Safety National Casualty Corp.	15105
	<b>INSURER D:</b> N/A	N/A
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES** **CERTIFICATE NUMBER:** CHI-006554126-03 **REVISION NUMBER:** 3

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADOL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:		SELF-INSURED	07/01/2015	07/01/2016	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/DP AGG \$ \$ COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> CLAIMS-MADE DED <input checked="" type="checkbox"/> RETENTION \$ 1,000,000		GLX201500068000 SUBJECT TO \$1,000,000 UNDERLYING RETENTION	07/01/2015	07/01/2016	EACH OCCURRENCE \$ 1,000,000 AGGREGATE \$ 1,000,000 \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input checked="" type="checkbox"/> N N/A		PRP4051179	07/01/2015	07/01/2016	<input checked="" type="checkbox"/> PER STATUTE <input checked="" type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
AS RESPECTS THE AGREEMENT WITH THE UNIVERSITY OF CHICAGO AND CITY OF CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES. CITY OF CHICAGO AND THE DEPARTMENT OF FAMILY AND SUPPORT SERVICES ARE INCLUDED AS ADDITIONAL INSURED AS REQUIRED BY AGREEMENT. (CITY)

## CERTIFICATE HOLDER

## CANCELLATION

CITY OF CHICAGO ATTN: DEPARTMENT OF FAMILY AND SUPPORT SERVICES 1615 W. CHICAGO AVE., 3RD FL CHICAGO, IL 60622	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE of Marsh USA Inc. Manashi Mukherjee <i>Manashi Mukherjee</i>
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## EXHIBIT 6

### BUSINESS ASSOCIATE AGREEMENT

The City of Chicago ("City") and University of Chicago ("Business Associate") agree to the following terms and conditions, which are intended to comply with the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, and their implementing regulations:

The terms below that are capitalized and in bold have the same meanings as set forth in the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, which is part of the American Recovery and Reinvestment Act of 2009, and the regulations promulgated thereunder, including the privacy, security, breach, omnibus, and enforcement rules, as each may be amended from time to time (collectively, "HIPAA"). See 45 CFR parts 160 and 164.

Specifically, the following terms used in the Business Associate Agreement shall have the same meaning as in HIPAA: **Breach, Business Associate, Covered Entity, Data Aggregation, Designated Record Set, Disclosure, Financial Remuneration, Fundraising, Health Care Operations, Individual, Marketing, Minimum Necessary, Notice of Privacy Practices, Protected Health Information ("PHI"), Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.** The term "Breach" has the meaning as set forth in HIPAA when capitalized below, but has the ordinary dictionary meaning when not capitalized below.

For purposes of this Business Associate Agreement, the term "Protected Health Information" or "PHI" includes electronic PHI, also known as ePHI.

1. Interpretation of this Business Associate Agreement. A reference in this Business Associate Agreement to HIPAA means the section in effect or as amended. If there is a dispute as to whether Business Associate is, in fact, a Business Associate, the Business Associate must provide a legal memorandum to the City indicating why the Business Associate does not fall under the definition of Business Associate in HIPAA. If the City disagrees with the legal memorandum regarding the Business Associate's conclusion that Business Associate is not a Business Associate, the City may choose to report a Breach to the Secretary or take other measures as deemed necessary to ensure the City's compliance with HIPAA. Any ambiguity or inconsistency in this Business Associate Agreement shall be resolved in favor of a meaning that permits City to comply with HIPAA.

2. Amendment of this Business Associate Agreement. The parties hereto agree to negotiate in good faith to amend this Agreement from time to time as is necessary for City to comply with the requirements of HIPAA and for Business Associate to provide services to City. However, no change, amendment, or modification of this Agreement shall be valid unless it is set forth in

writing and signed by both parties.

3. Designation of HIPAA Officer(s). Business Associate agrees to designate, in writing, a HIPAA Privacy and Security Officer(s) who will communicate with the City's HIPAA Privacy and Security Officers for purposes of this Agreement. Business Associate agrees to notify the City's HIPAA Privacy and Security Officers of such designation and the contact information of such officer(s):

Paul Bivian

HIPAA Privacy Officer  
312-747-9698  
hipaaprivacyofficer@cityofchicago.org

HIPAA Security Officer  
312-744-1345  
hipaasecurityofficer@cityofchicago.org

4. Uses and Disclosures of PHI. Business Associate must not use or further disclose Protected Health Information ("PHI") other than as permitted or required by this Agreement, as necessary to perform the services in this Agreement, or as Required By Law.

- a. Business Associate will not sell PHI or use or disclose PHI for the purposes of marketing or fundraising.
- b. Business Associate shall not directly or indirectly receive financial remuneration in exchange for any PHI of an individual or in exchange for making communications regarding treatment or health care operations purposes, unless otherwise allowed in this Agreement.
- c. If Business Associate is authorized to use PHI to provide the City with de-identified information, Business Associate is not permitted to use or disclose the de-identified information for purposes other than those specified in the Agreement.
- d. Business Associate may use PHI to provide data aggregation services to the City, relating to the health care operations of the City.
- e. Business Associate may use and disclose PHI received by the Business Associate in its capacity as a Business Associate to the City, if necessary, for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided that, as to any such disclosure, the following requirements are met:
  - i. The disclosure is required by law; or
  - ii. The Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been the subject of a Breach.
- f. Except as otherwise limited in this Agreement, Business Associate may use and disclose PHI obtained from or on behalf of the City to perform functions,

activities, or services for, or on behalf of, the City as specified in the Agreement, provided that such use or disclosure would not violate HIPAA if done by the City.

5. Minimum Necessary. Business Associate shall use, disclose, or request only the minimum necessary PHI necessary to accomplish the intended purpose of the use, disclosure, or request. Business Associate represents that the PHI used, disclosed, or requested by Business Associate is the minimum necessary to carry out purposes of the Agreement. Prior to any use or disclosure, Business Associate shall determine whether a limited data set would be sufficient for these purposes.

6. Safeguards of PHI. Business Associate must use appropriate safeguards with respect to PHI that it creates, receives, maintains, or transmits on behalf of the City to prevent the use or disclosure of PHI other than as provided for in this Agreement. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of HIPAA privacy regulations (45 CFR Part 164, subpart E) and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement. The safeguards must also reasonably and appropriately protect the confidentiality, integrity, and availability of PHI that Business Associate creates, receives, maintains, or transmits on the City's behalf as required by the HIPAA security regulations (45 CFR Part 164, subpart C). Where applicable, Business Associate must comply with the HIPAA security regulations (45 CFR Part 164, subpart C) with respect to electronic protected health information, to prevent the use or disclosure other than as provided for by this Agreement. Where feasible, PHI will not leave the City's facilities and will be accessed under the supervision of City employees.

7. Applicability of Business Associate Agreement to Subcontractors and Agents. Business Associate must ensure that any agent, including a subcontractor, that creates, receives, maintains, or transmits PHI on behalf of the Business Associate agrees to the same restrictions, conditions, and requirements that apply through this Agreement to Business Associate with respect to such information, by entering into a contract or other arrangement that complies with HIPAA. An agent or subcontractor of a Business Associate is not permitted to use or disclose PHI in a manner that would not be permissible if done by the Business Associate. Business Associate will ensure that its subcontractors and agents to which Business Associate is permitted by this Agreement or in writing by the City to disclose PHI agree to implement reasonable and appropriate safeguards to protect PHI. Business Associate will obtain reasonable assurances from any subcontractors and agents to which Business Associate discloses PHI that the subcontractor or agent will hold PHI in confidence and further use or disclose PHI only for the purpose for which Business Associate disclosed PHI to the subcontractor or agent or as Required By Law.

Business Associate will obtain reasonable assurances that any subcontractor or agent to which Business Associate discloses PHI will notify the Business Associate within 5 calendar days (who will, in turn, notify the City within 5 calendar days, as described below) of any instance in which the subcontractor or agent becomes aware of a Breach of unsecured PHI; possible Breach of unsecured PHI; any security incident of which it becomes aware, including: any attempted or

successful unauthorized access, use, disclosure, modification, or destruction of PHI; or any attempted or successful interference with agent or subcontractor's system operations of which agent/subcontractor becomes aware.

Agent/subcontractor is not required to report the following types of unsuccessful security incidents: pings and other broadcast attacks on agent/subcontractor's firewall, port scans, unsuccessful log-on attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of PHI.

If a delay is requested by a law enforcement official in accordance with 45 CFR 164.412, agent/subcontractor may delay notification to Business Associate for the time period specified in HIPAA. Agent or subcontractor's report will include the information described in 45 CFR 164.404(c) and such other information as the Business Associate or the City may reasonably request.

8. Reporting of Breaches, Potential Breaches, and Security Incidents. Business Associate must report to the City any use or disclosure of the PHI not provided for by this Agreement of which it becomes aware, as well as any Breach of Unsecured PHI; potential Breach of unsecured PHI; any security incident of which it becomes aware; any attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI; or any attempted or successful interference with Business Associate's system operations of which Business Associate becomes aware.

Business Associate will make the report to the City's HIPAA Privacy and Security Officers not more than five (5) calendar days after Business Associate discovers such non-permitted use or disclosure, Breach, security incident, or other incident as described above. Business Associate shall provide any reports or notices required by HIPAA as a result of Business Associate's Breach. On behalf of the City, Business Associate will provide such reports or notices to any party or entity (including but not limited to media, Secretary, and individuals affected by the Breach) entitled by law to receive the reports or notices. Business Associate agrees to pay the costs associated with notifying individuals affected by the Breach, which may include, but are not limited to, paper, printing, and mailing costs.

Business Associate is not required to report the following types of unsuccessful security incidents: pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of PHI.

If a delay is requested by a law enforcement official in accordance with 45 CFR 164.412, Business Associate may delay notifying City for the time period specified in HIPAA. Business Associate's report will include the information described in 45 CFR 164.404(c) and such other information as the City may reasonably request.

9. Mitigation and Penalties. Business Associate must mitigate, to the extent practicable, any

harmful effect that is known to Business Associate of a Breach or of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement. Business Associate shall take reasonable steps to put corrective measures in place to prevent future Breaches (such as retraining employees and upgrading security systems). At the City's request, Business Associate shall take reasonable steps to mitigate the harm to affected Individuals whose PHI has been or may have been compromised as a result of a Breach by Business Associate, including obtaining credit monitoring services and offering identity theft insurance. To the extent that the City incurs civil or criminal monetary penalties as a result of a Breach by the Business Associate, the Business Associate agrees to reimburse the City for such penalties.

10. Designated Record Sets - Access. If the Business Associate has PHI in a Designated Record Set, then Business Associate must provide access to or otherwise make available, at the request of the City, and in the time and manner designated by the City, PHI in a Designated Record Set, to the City or, as directed by City, to an Individual in order to meet the requirements under 45 CFR 164.524.

11. Designated Record Sets -- Amendments. If the Business Associate has PHI in a Designated Record Set, then Business Associate must make any amendments to PHI in a Designated Record Set that the City directs or agrees to pursuant to 45 CFR 164.526 at the request of City or an Individual, and in the time and manner designated by the City.

12. Internal Practices, Books, and Records. Business Associate must make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of, the City available to the Secretary for purposes of determining compliance with HIPAA. Business Associate also must make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, the City available to the City in a time and manner designated by the City, for purposes of the Secretary determining City's compliance with HIPAA.

13. Accounting of Disclosures - Documentation. Business Associate must document the disclosures of PHI and information relating to such disclosures as would be required for City to respond to a request by an individual for an accounting of disclosures of PHI in accordance with HIPAA, specifically 45 CFR 164.528.

14. Accounting of Disclosures -- Provision of Information. Business Associate must provide to City or an individual, in time and manner designated by City, information collected which relates to the disclosure of PHI, to permit City to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. If the Business Associate receives a request for accounting of disclosures directly from the individual, the Business Associate must respond to such request for an accounting of disclosures, provide the accounting of disclosures to the individual within the time required by 45 CFR 164.528, and provide the information regarding such request to the City, in the time and manner designated by the City.



15. Survival, Termination, and Return or Destruction of PHI. Upon termination of this Agreement for any reason, the Business Associate's obligations under these contractual obligations shall survive termination and remain in effect:

- (a) until Business Associate has completed the return or destruction (in accordance with the US Department of Health and Human Services' Guidance to Render Unsecured Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals) of all of the PHI provided by City to Business Associate, or created or received by Business Associate on behalf of City, and
- (b) to the extent that Business Associate retains any PHI.

Upon the expiration or termination of the underlying Agreement, if feasible, the Business Associate must either:

- (1) return all PHI received from the City, or created, maintained, or received by Business Associate on behalf of the City, which the Business Associate still maintains in any form, to the City or
- (2) destroy it, at the City's option (in accordance with the US Department of Health and Human Services' Guidance to Render Unsecured Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals).

This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

If Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If it is infeasible for Business Associate to obtain, from a subcontractor or agent any PHI in the possession of the subcontractor or agent, Business Associate shall require the subcontractors and agents to agree to extend any and all protections, limitations and restrictions contained in this Agreement to the subcontractors' and/or agents' use and/or disclosure of any PHI retained after the termination of this Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

In the event of a breach of the terms of these contractual obligations, the cure and remedies of the Agreement shall govern. HIPAA's privacy rule (45 CFR § 164.504(e)(2)) requires that the Business Associate will authorize termination of the contract by the City, if the City determines that the Business Associate has violated a material term of these contractual obligations.

16. Compliance with Obligations. To the extent the Business Associate is to carry out one or more of City's obligation(s) under Subpart E of 45 CFR Part 164, the Business Associate must comply with the requirements of Subpart E that apply to the City in the performance of such obligation(s). Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by the City.

17. No Third Party Rights. The terms and conditions of this Agreement are intended for the

sole benefit of Business Associate and City and do not create any third party rights.

18. Governing Law. To the extent not preempted by federal law, the Agreement shall be governed and construed in accordance with the laws of the State of Illinois.